



# INTERNATIONAL BUSINESS SEMINARS

**Summer Europe #1**

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### **Introduction**

This past summer I was given the opportunity to go on a journey to Europe. From May 26<sup>th</sup> to June 18<sup>th</sup> of 2012 I was off in a distant land exploring remarkable cities. Our seminar toured the countries of England, France, Switzerland, Italy, Austria, and Germany in 23 days of travel. It was a lot of ground to cover but I'm certainly glad I could see so much in so little time. Our seminar was given about 3 days or so to explore each individual city on the itinerary. Every other day we would explore a facet of business, its application in European culture, and how it agreed or disagreed with the American models of business. We were not only given the opportunity to gain insight on international business practices but we could also explore the cultures. Each city was a new adventure bringing with it new languages, fashion, and personality. I saw things that I never dreamed I would see in my lifetime. In London, I saw the House of Commons and Big Ben. I saw the site of the Olympic Games and stood under the Eiffel Tower in Paris. I walked in the footsteps of Michelangelo in Florence and flew with hawks off a mountain in Innsbruck. The experience was breathtaking and something that I will never forget. In all of the excitement and sightseeing I also got to learn about myself. I learned about the world that surrounds me and I gained new insight into the way that business and societies truly appear in Europe with no judgments, bias, or arrogance. This paper is the culmination of my experiences on the International Business Seminar in Europe and in it I will discuss the companies that I visited along with my observations on cultural issues that I gleaned from my travels.

**Lloyd's of London – Speakers Paul Dalton and Martin Leach**

Lloyds of London is the premiere insurance market of the world and has been featured in movies, pop culture, and other media due to its high profile and often times strange insurance policies. These policies are underwritten through Lloyds of London and they can cover anything from throats to hands, to waterskiing pink elephants; yes, I said pink waterskiing elephants.



Lloyd's was not always the powerhouse that it is today. The market had simple beginnings in Edward Lloyd's Coffee House. Edward Lloyd started the business around 1688 in a prime location on Tower Street, just a

short walk away from the ports at the Tower of London. The coffee shop became a popular spot for sailors, ship owners, merchants and business men to come enjoy refreshments, news of the industry, and conversation. The conversations were often related to the



business of the area and of the times. In the area near Lloyd's that industry was sailing and the

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transportation of goods. The individuals who would frequent Lloyds discussed dealings of insurance for their goods and travel. They would speak to others in the coffee shop and ask them to sign in on the transaction to insure the ship. Doing this would insure the vessel properly and it would also spread the risk. The term underwriter originated at Lloyd's because those who signed onto the deal would "sign under risk". In time, someone who signed under this line of risk became known as an underwriter. Flashing forward to modern times, Lloyd's underwriters are no longer men in a coffee shop looking to insure travel and goods. Underwriters of the present are now associated with larger companies known as syndicates. They wear suits and ties and negotiate deals with the brokers and customers who look to insure their items through Lloyd's market. There are 80 syndicates in total with 400 to 500 underwriters under their jurisdiction. They sit in their boxes and wait for the negotiating process to begin.

It all starts with a customer who has an item they would like insured. The customer will then seek out a broker to handle their affairs and represent their best interest in negotiations with underwriters. Once the customer and broker have laid out their intentions, they will need to write up a slip. This slip will be shown to underwriters face to face at the underwriting box and it can be shown to any syndicate of your choice. The broker will work the market until they earn 100% of the investment needed to cover their unique risk. For example, if one syndicate provides for 40% of the risk, the broker must continue to seek out investments in the risk until 60% more is covered. Underwriting is not easy and is more of a science than an art. The underwriters utilize software, Google earth, and other tools to help identify risk and understand

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how much is reasonable to invest in a given venture. All of the aforementioned activities take place in the grand underwriting room. This is where the business of Lloyd's is done and it is pictured just below.

Some may ask, why should I cover my risk within the Lloyd's market? The representatives for Lloyd's, Paul Dalton and Martin Leach, made short work of answering this common question. They



mentioned that when you do business within Lloyd's market you are not only promised your payment, but you are also promised of the highest quality and service based on the reputation of the market. Lloyd's also has license in other countries which helps them extend their reach for your policy. Furthermore, the underwriters and their syndicates work with your broker to help you build a 100% custom policy that meets your unique needs.

Now to clear up any confusion, Lloyd's is not directly involved in insurance. It merely provides the infrastructure for the insurers to do their business; it is a market, just as the New York Stock Exchange (NYSE) is to securities. Like many markets, it has regulations set in place to oversee the transactions that are made within its limits. Lloyd's itself regulates much of the market with assistance from the Financial Services Authority (FSA) to manage dealings, discrepancies, and any gripes of the participants.

**Strengths:**

- Their reputation as a leading market to do business with.
- The sheer age and rich history surrounding the market.
- Its connections to many syndicates prompts customers to send their brokers to Lloyd's.
- Policies written within Lloyd's can be completely customizable to fit the needs of customers.

**Weaknesses:**

- Lloyd's is a paper based company. This can lead to loss of records or costs associated with document storage.
- People will often take typical items to be insured at motor insurance companies. This industry brings a lot of competition into the insurance industry and leaves Lloyd's missing a major part of the market.
- Lloyd's has seen low performance over the years in the airline and aviation industry.

**Opportunities:**

- Lloyd's could begin the transition to electronic based processes to save money and promote efficiency.
- Lloyd's could sort their syndicates into highly concentrated divisions to become super specialists in their space. That way the market could handle specific claims efficiently and be able to handle more volume based on the specialization of the syndicates.

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- They have the opportunity to increase their performance in the motor and aviation insurance industry. This could effectively increase their market share amongst more common, middle class consumers.

#### **Threats:**

- Natural disasters and other major catastrophes could significantly affect the profits of Lloyd's.
- Other insurance markets could steal business or implement innovative technologies that would steal business away from Lloyd's.
- If Greece were to leave the EU it would negatively impact Lloyd's growth by adding another currency to the market. Greece is 20% of Lloyd's growth and the volatility of their economy worries many people who deal in the Lloyd's market.

#### **Cadbury – Mr. Colin Pitt, World Education and Heritage Center Manager**

Cadbury began in 1824 in the hands of the entrepreneur Mr. John Cadbury. Cadbury began by selling beverages, mainly herbal in nature, such as tea and coffee. However, John Cadbury began to dabble in chocolate beverages and before long, popularity of this drink variety exploded. He partnered with his brother Benjamin and began to sell chocolate beverages under the name "Cadbury Brothers of Birmingham." In 1861, John relinquished the business to his sons Richard and George and by 1879 they decided that to meet production needs for their chocolate they needed to create a larger production facility. They wanted to move out of the industrial area of Birmingham and find an area that would be conducive to living and working.

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They found their current location in the countryside of London at the Bournbrook estate. They quickly renamed the estate Bournville and worked diligently to make the area a beautiful place that their workers could enjoy in times of work and leisure. George even went as far as purchasing 120 acres of land out of his own pocket to build a village that would allow employees to live outside of the modern evils of cramped living conditions.



Evils of cramped living weren't the only evils he tried to eliminate. As stout Quakers, the Cadbury family believed that alcohol was dangerous. This belief is actually one of the reasons that they involved themselves in the coffee, tea, and chocolate beverage business to begin with. They aligned themselves with these products so that they could manufacture and sell alternatives to alcohol! As the factory grew, the Cadbury family wanted to show off the quality of their products made in their beautiful facility. For a time, the factory allowed visitors inside to tour the grounds and even sample chocolate straight off the production line! By 1970, these tours ceased due to growing health concerns relating to the tourists touching the production lines and equipment. In 1990, the factory reopened for public tours.

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In more recent news, Cadbury was acquired in a takeover by the world's 2<sup>nd</sup> largest food company, Kraft foods. As a result of the hostile takeover of Cadbury by Kraft, a set of laws was introduced and passed in the United Kingdom that were aptly named The Cadbury Laws. After the takeover, Kraft represents 32% of the total confectionary market. Of that 32%, the Cadbury brand represents 29%. Current market segmentation for the products made by Cadbury are placed in 4 categories; immediate eat, home stock, gift, and season. When 30% of chocolate is purchased within the first 10 seconds of seeing it, it's not hard to guess where the money is made. Besides their immediate eat category, seasonal sales for Halloween and Mother's Day contribute to their highest yearly earnings.

#### **Strengths:**

- Loyalty to the brand is strong among many of Cadbury's customers.
- The brand was given a royal warrant to be chocolate makers of the Queen.
- Cadbury has a strong distribution network and strong ties to its suppliers.
- The Cadbury brand name is associated with quality. The packaging is purple as well which is regal in the UK and represents sophistication and class.
- Their extensive product lines leads to excellent product diversity. With their larges set of products they have assisted Kraft foods in taking ownership of 32% of market share in UK.
- Chocolate is an impulse buy item. This drives sales for the company with grocery stores and gas stations since people will often purchase them at checkout.

**Weaknesses:**

- Hershey licensing gives Hershey the ability to tamper with the Cadbury recipes in other countries.
- Kraft owns the brand now, and not the original private owners. The endeavors that the Cadbury brand pursues will be based on shareholder influence and not the vision of the founders.

**Opportunities:**

- Cadbury could continue to see growth in international markets, especially from countries with expanding economies such as India.
- Demerging, corporate responsibility, and fair trade.
- Cadbury could implement interactive vending machines in countries who demand quick fuel on the go such as the United States.

**Threats:**

- Cadbury creates inexpensive goods that are easily imitated. The industry is full of chocolate producers and Cadbury must continue to differentiate both in marketing and in their products.
- Competition outside of chocolates could draw people away from purchasing traditional chocolate. For example, Haribo pushes gummy products instead of chocolate.
- There are different recipes in different regions of the world. This lack of uniformity may confuse customers.

**Jaguar – Mr. Jim Wilkins, Jaguar Education Centre Delivery Officer**



Jaguar is a British luxury sports car manufacturer that is headquartered out of the English suburbs in the town of Whitley, Coventry. Since 1922, Jaguar has been making motorcycle sidecars out of their current facilities. The former name of the business was Swallow Sidecars up until after the secondWorld War. Swallow Sidecars was founded by two motorcycle enthusiasts named William Lyons and William Walmsley. The company discontinued use of this name to avoid any back lash for operating a business with the initials SS. SS of course was the elite patrol of the Nazi Party, led by Adolf Hitler in the late 1930's and early 1940's.

In the late 1980's, Ford pursued interests in acquiring the company and by 1989, Ford was the proud new owner of the Jaguar. During this time period, many agree that the brand was tarnished based on faulty management, with poor vision and little regard for the quality and service that was to be delivered to the end user. Now the company is owned by Tata, an Indian compay based out of Mumbai. Tata was given the opportunity to buy Jaguar in 2008 and with the help of financing from bankers Citigroup and JP Morgan, Jaguar was sold to its current

owner on March 26, 2008. Tata has high expectations for the future of Jaguar. Processes since the management change have been tightened up and made to be more “lean” and efficient. Our guides admitted on the tour that they are actively benchmarking their processes against rival manufacturer Toyota. Tata also realizes that the future is where the brand can catch up to their competition.

Although the past few decades of Jaguar has been difficult, they’ve realized that if they chose to invest in the future for research and development, they can push ahead of their competitors with innovation and more options for consumers. In fact, Jaguar is currently spending 30% more than any other car manufacturer on research and development. So keep your eyes peeled for outstanding vehicles and a bright future for this British luxury sports car manufacturer!

**Strengths:**

- Jaguar has a fairly good position in the minds of consumers and an iconic brand that has lasted since the mid-20<sup>th</sup> century.
- They have a good foot hold in their niche market of consumers.
- The facilities that Jaguar manufactures out of are highly efficient and they continually strive to exceed Toyotas lean operations.

**Weaknesses:**

- Their products are not as diverse as other car company’s offerings.
- Their customer service has been lacking with their recent Ford affiliation. This period left a bad taste in consumers mouths and has many people hesitant to buy a Jaguar.

**Opportunities:**

- New models could be produced that will inject youth and life back into the brand.
- There is a large and unfulfilled market in both China in India.

**Threats:**

- Other luxury car brands could overtake Jaguar in the industry.
- Customers continue to look for more in luxury cars and it may be hard to deliver based on their current resources.

**Hard Rock Café – Jonathan Shaw, Assistant General Manager**

The Hard Rock Café was born in 1971 from the minds of the visionary Isaac Tigrett and restaurateur Peter Morton. As two young Americans living in the 1960's era of London, they were faced with a bit of a dilemma. They both hated British food and despised the class systems set in place in British society. The rich would eat with the rich and the poor would eat with their own kind as well. Mixing classes was taboo in day and age. The two young men decided that the solution to these problems would be solved by opening a restaurant. At their restaurant, people could experience the goodness that was American food. Entrees such as burgers, fries, and ribs would be served all day every day and London citizens could get a taste of what was all the rage in the States! Rich and poor could sit at the Hard Rock Bar together which fostered a mutual respect of all classes and creeds and brought people together with nothing more than a simple love for rock and roll music. The pair's vision became a reality when their friend in the car industry put his Rolls Royce showroom up for sale. They bought the establishment and

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converted the once luxurious showroom into an eclectic, psychedelic pub. What's even more amusing is that the pub was opened directly across the street from Buckingham Palace in the high class area of London.

The original staff consisted of 46 employees, all 30 years old or more. The idea of the day was that in the 60's you were expected to be served by your "mum" so the waitresses were to reflect that same caregiving aura that a mom would show her sons and daughters. They were adorned in white truck stop style dresses and delivered the food with arm service for visual appeal. They were even allowed to completely break the norms of the day by sitting down at the table while taking an order. This was completely unacceptable at most restaurants where the waiters would always be expected to "serve" and nothing more. They would take this shocking style of service a step further and even involve themselves in conversations of the guests. A waiter or waitress joining in on the conversation of patrons was unheard in London until this point. This same surprising approach is used even to this day, with changes made to the style of dress and age restrictions of course.

The décor of the establishment did not necessarily match its surroundings in the shadow of Buckingham Palace. The walls were ripe with marijuana related images and rock stars but weren't yet filled with vintage memorabilia as we know the Hard Rock today. That all began when Eric Clapton, one of the café's original patrons. Clapton walked into the restaurant to have a seat at the bar but his normal seat was occupied. He spoke with management and asked if there was some sort of plaque they could hang over his favorite spot that would reserve the seat. The management did not have any plaques so Eric Clapton took out his guitar and figured that it

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would suffice just the same as a plaque would. He nailed it over his seat and so began the modern era of the Hard Rock Café and its ties to rock memorabilia as we know it. Shortly after this transaction, the management received another guitar, this one from Pete Townshend of The Who. It was given to them with a note attached that read, “Mine’s as good as his! Love, Pete.” Today, 73000 pieces of memorabilia are owned by Hard Rock worldwide. The pieces come direct from artists, auctions, private vendors, and donations to the restaurant.



The Hard Rock Café practiced a set of values that has kept them strong over the decades, even through the difficulty of the late 90’s and early 2000’s. They strive to practice honesty, integrity, professionalism, and they drive their employees to take time to be kind. Management encourages everyone to reach their maximum potential and the system they provide allows promotion and upward mobility a very real possibility for their staff. The staff always promotes personal accountability and understands that every member of the team is accountable for

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results, whether they are good or bad. Through hard work, they realize that brand excitement can be created through innovation and positive attitudes, leaving nothing to chance and consistently driving repeat business. As our speaker so delicately put it, the mission of the Hard Rock is very simple; to deliver kick ass service! They want to deliver authentic experiences that rock!

Although the Hard Rock brand is most notably associated with their restaurants that deliver these experiences, in 1995 they branched out into hotels, casinos, as well as venues to spread their portfolio and reach more markets. They remained the leader in the themed restaurant industry until tough times struck in the 90's. From roughly 1997 to 2003, competitors such as Planet Hollywood split the industry and detracted business away from the Hard Rock. A majority of business was also made through the tourist markets and after 9/11, people were hesitant to travel. As a direct result of the attack, sales plummeted at chains throughout the world. However, with recent changes made to the management of the company, The Hard Rock believes it is on its upswing. A new CEO was selected to lead the company in 2004 and the brand and all of its assets were recently acquired by the Seminole Native American Tribe. These managerial changes gave Hard Rock a sense of direction and gave a vision to management and franchisees throughout the world. The Hard Rock is looking forward to heavy growth in the future and we can all certainly expect to find safe haven in a Hard Rock Café next time we find ourselves in a foreign land.

#### **Strengths:**

- The restaurant likes to pride itself on its superior customer service and quality.

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- The Hard Rock Café was the first restaurant of its kind and has a history that supports its image.

### **Weaknesses:**

- There are a lot of restaurants spread all over the world and this fact can make it hard for the corporate office to manage their holdings.
- Franchises might not use the same loyalty programs as company owned stores, causing confusion for customers.
- The themed restaurant is a dying novelty.

### **Opportunities:**

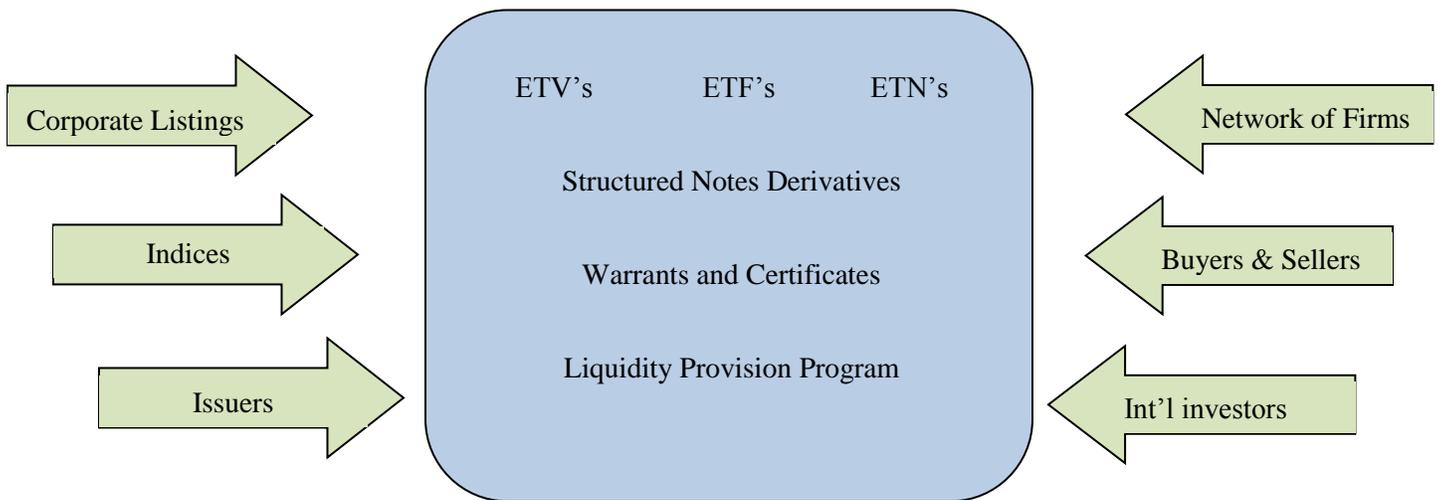
- There is a large opportunity for expansion in many different cities in a multitude of countries. Any tourist destination should have a Hard Rock!
- Franchises can be placed anywhere so long as a dedicated franchisee is willing to invest in the venture.

### **Threats:**

- Competition is a huge threat. Businesses such as Planet Hollywood have virtually lifted the novelty of the Hard Rock and put it on top of the movie industry.
- People are travelling less due to the unstable economy and the terrorist attacks of the early 2000's.

**NYSE Euronext – Sylvie Larrede, Philip Tychon, and Laurent Fournier**

NYSE Euronext is the direct result of mergers and it is the aggregate of four previous exchanges. NYSE Euronext is a market, just the same as Lloyd's. They host transactions and regulate exchanges that take place throughout most of Europe. It also serves the purpose of connecting warrants and certificates, issuers, and derivatives. They also connect exchange traded products such as exchange traded funds (ETF's), exchange traded notes (ETN's), and exchange traded values (ETV's). The chart that displays these connections is shown just below.



The Liquidity Provision Program shown in the center is supported by 23 Liquidity Providers. These providers include the likes of Goldman Sachs, Morgan Stanley, JP Morgan, Barclays Capital, Commercebank, and Banca IMI.

Technology is crucial in facilitating all of these trades because they are all done in cyberspace. There is no open outcry, and certainly no pomp and circumstance involved in the process of NYSE Euronext. The excitement all lies locked inside the servers and the software of

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the marketplace. The computers shown in the picture below display the computers and staff that are involved in monitoring the market.



### **Strengths:**

- Advanced technology leads to online trading instead of a trading floor with an “open outcry” (end-to-end electronic trading).
- NYSE Euronext serve as a premier listing venue for ETP’s (exchange traded products).
- The market prides itself on its high process knowledge.
- Reliable and fast systems and a secure trading environment are benefits that NYSE Euronext can provide its customers.
- Fast response time to over/under valued trades to control the market provide security to investors.
- They can manage to work in a volatile environment.

### **Weaknesses:**

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- The employees use job specific jargon that may go over people's heads who are not familiar with their terms.
- There is a high cost to maintain the trading technology that NYSE Euronext utilizes in its processes.
- It is difficult to catch all over/under valued trades to re-set the market.

#### **Opportunities:**

- There is a rapidly growing consumer market for trading.
- NYSE can differentiate their product offerings to get people to trade in the NYSE Euronext market.
- There is an opportunity to look into new trading technology that can be used to increase trading speed.
- The NYSE can merge with remaining markets to make a global market.

#### **Threats:**

- A stock market crash in one country leads to a domino effect.
- There can be difficulty with capacity control. Capacity control is when too many people are trading one stock. When this happens in a market it can raise the stock price too high and cause problems in the market.
- NYSE Euronext must be wary of economic downturn. Economic downturn results in less money to spend on the buying, trading, and selling of ETF's.

**Professor Tom Lawton, PhD FRSA, professor of strategy and international business at**

**EMLYON Business School – History of the European Union and Current Issues**



In the discussion regarding the European Union, Professor Tom Lawton began by speaking about general facts and statistics of the European Union. He explained that the European Union consists of 27 member states with a total of 501 million people under their umbrella. To illustrate the sheer size of the EU, the United States only has 312 million citizens in an area twice as large. In terms of economic activity, the European Union is highly centralized. The nations at the core of the union represent 14% of the total land, 33% of the total population, and a whopping 47% of the overall gross domestic product (GDP). As for the intermediate nations, they represent more of the land than the core with 21%, but they fall short with population and GDP at 25% and 32% respectively. The EU allows all of its member nations to maintain a single market with common policies for things such as trade, competition,

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agriculture, fishing, and limited regulations for police and judicial matters. The policies set in place grant members security in their currency (the Euro) and in interest rates as well.

The discussion moved from these economic facts onto the topic of politics. Tom Lawton would often outline the policies of the EU by comparing their practices to those of the United States. This method put things in a clear perspective since we are familiar with policies of our own nation. He pointed out that in the United States, political ideas start at two ends of the spectrum, in our case, right or left, Republican or Democrat. In Europe, however, political ideas will often begin in the middle with the source being a coalition government. The arguments will be made for a policy but the system likes to generally avoid going too far into the fray of conservative or progressive ideas. They believe that going too far from the center leads to extremists or radicals gaining acceptance, and perhaps power in the government. In fact, most Europeans think that the U.S. Republican Party is extreme! Europeans believe in the modern welfare state and high taxes while United States Republicans believe in just the opposite. Though, with the new system of the European Union, many nations who have held fast to the ways of European policies are being forced to assimilate to a more United States inspired model in terms of uniformity. This single market approach where all airlines serve all nations and all phones have the same fee to call other countries directly benefits the people of the Union. Although they may be slightly hesitant to accept the United States model, it will better serve their nation in the long run by keeping prices stable and encouraging international trade. Even though Europe is moving toward this new model with the formation of the EU, Tom Lawton was clear when he stated that Europe will never truly be like America. He quoted Margaret Thatcher

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to display this point. “Europe will never be like America. Europe is a product of history, America is a product of philosophy.” Also, the E.U. does not have the power yet to levy taxes like the U.S. Federal Government does. This may take some time considering the fact that the member nations still want to maintain some sense of sovereignty, even though they have affiliated themselves with the European Union.

For the final portion of our discussion, Professor Tom Lawton reviewed the challenges in shifting a majority of Europe to a United States model. Political communist parties of the mid-20th century were turned on their heads. The regimes were replaced with democratic systems of government which proved to be successful and unsuccessful depending on the host nation that the party operated in. For Estonia, Hungary, and many other countries, democracy proved to be beneficial and stable for citizens. However, for nations like Albania and Moldova, democracy simply couldn't survive in their political environment. Nations also saw tremendous difficulty in the transition from centrally planned economic systems to free market systems. People did not understand that the market could dictate itself without extreme oversight and planning from the national government. The issue of identity also came up throughout the transition to the EU. East Germans would be known now as Germans after the fall of the Berlin Wall. This confused many people whose heritage was prevalent and pride was strong for a certain side of the wall. Finally, diplomatic concerns were raised when Central and Eastern European Countries tried to integrate into the western dominated world with the help of the European Union. There is still much corruption in these countries and their borders are very porous, making protection of trade,

intellectual property rights, and the safety of citizens an issue in the Union. The future of the European Union is not certain. Many scholars speculate that the Euro will fail and that turmoil amongst countries and economic imbalances could be the demise of this experiment. We will have to wait and see the true future and the shape of things to come.

**Strengths:**

- The formation of the European Union essentially snuffed out any dictatorships in its countries.
- The EU stimulates international trade.

**Weaknesses:**

- There is the possibility of corruption among representatives due to the large scale of the Union.
- There are often inconsistencies among member nations or even within a nation itself.

**Opportunities:**

- The European Union has the opportunity to limit or ease tensions between countries.
- There are many more countries that could be made a part of the EU.

**Threats:**

- The Euro is doomed to failure as suggested by many nations and economists.
- Membership of some nations is threatened due to instability, whether it be political, financial, or cultural in nature.

**EDHEC Business School, Nice Campus**



The EDHEC business school is a prestigious learning center that is held in high regard both in Europe and across the globe. It is ranked 1<sup>st</sup> in financial programs for Europe and 6<sup>th</sup> internationally. Financial times even ranked them 26<sup>th</sup> out of worldwide business in reference to their executive education programs. Recently, they even affiliated their brand with the Graduate Management Admission Council by earning their spot as an exclusive member in the network. Their accreditations continue to deliver value to executives and students alike who seek out an education with their organization. EDHEC has accreditations with the Association to Advance Collegiate Schools of Business (AACSB), the highest level of accreditation for business schools internationally. They have also earned the EQUIS and AMBA for their outstanding curriculum. The EDHEC educational facility is a private business school. In fact, all business specific schools are private in Europe. This differs greatly from the education facilities of the United States where nearly every public school in the nation has some sort of business curriculum and major. EDHEC provides students with five different campuses to choose from, all close to major economic and cultural centers of Europe. These locations include the likes of London,

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Paris, Nice, Lille, and Singapore. At each campus, the professors strive to uphold the mission of the brand; building people to build business. They achieve this goal in four ways. First, they help executives understand the impact of new business trends and practices. Next, they keep business at the heart of their academic research and foster a balanced development of business skills, ethical behavior, and leadership. Finally, EDHEC renews leadership and focuses on the individual students and executives as the source of business decisions.

### **Strengths:**

- The school is fully accredited by European standards. It is only 1 of 3 European business education establishments to have all 3 European accreditations.
- The school provides lessons bilingually and teaches its high level courses in English, a generally regarded business language.

### **Weaknesses:**

- The school is only located in 5 cities across Europe.
- There are no dorms and little variety as far as a university “vibe” goes. This diminishes the desire to attend the school when it is far from home.

### **Opportunities:**

- Invest in putting schools in different countries.
- Invest more money in overseas marketing.

### **Threats:**

- Other business schools are more prestigious since EDHEC is not the top rated school in France.

**At EDHEC – Professor Marie-Catherine Mars, Luxury Goods**

The luxury industry, often seen by consumers as powerful and impervious to strain is really quite the opposite. From 2003 to 2008, the luxury industry had very strong growth, producing revenue of 175 billion euros in 2008 which was up from 128 billion euros in 2003. That is a 36.7 percent increase in revenue! In 2009, however, the economic crisis hit luxury brands quite hard. The industry dropped nearly 10%, cutting their earnings down by 19 billion euros. The fashion sector was hit the hardest, seeing a drop of 15% to their revenues. Because of this event there was a complete devaluation of luxury share prices. This isn't the only contributing factor to the strain put on the luxury market. Luxury brands are affected by tourism, economy, terrorism, and the market as well. If the euro goes up for whatever reason then the price goes up on goods as well. Americans have contributed to the strain with their high demands for luxury items and the recession that struck in 2009. However, recovery has been seen in 2010 and now certain segments of luxury such as watches and jewelry have spiked in popularity, rising at least 17% in sales from 2004 to 2011.

Many brands are associated in multi-brand and multi-product groups. An example of this would be LVMH, the result of a merger between Louis Vuitton and Moet Hennessy. They are the leaders of the luxury market and their portfolio includes nearly 60 major brands. Brands such as Vuitton, Tag Heuer, De Beers, Marc Jacobs, and Emilio Pucci are all under the umbrella of LVMH. This is very common in the industry considering companies such as Richemont and L'Oréal have been following this model with immense success for just as long, if not longer than

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LVMH. Gucci has taken the model a step further by offering consumers advanced online shopping mediums to purchase their wares. Notice that many of the companies I have named in the past paragraph are all foreign companies based in France, Italy, or other European Nations. These companies gross well above 50 billion euros a year in revenue while revenues in the United States and Japan for luxury goods only gross a measly 18 billion dollars; a mere percentage of what foreign luxury brands earn. This shows the power that foreign luxury has in the market as a whole and how America and other entries to the market will find it hard to compete with high style from Europe.

The luxury market can be segmented into three main product categories. These categories are assigned in a pyramid to reflect the size of the market. At the top of the pyramid are reference products. These products represent inaccessible luxury and are generally made by the designers themselves. These pieces are iconic and are absolutely the most expensive and customizable items within a brand. In the middle of the pyramid sits fashion products. These products are partly accessible to the general public and are ready to wear, mass produced pieces. The items are created in this way to lower costs and reach a much broader market than the reference products could ever do. Finally, at the bottom of the pyramid are the extensions. These are the most attainable pieces for the everyday consumer. Items such as accessories, fragrances, and cosmetics are generally affordable enough to be purchased by anyone from any class. With this pyramid concept, a luxury brand can effectively target the entirety of the population regardless of class.

**Parfumeries Fragonard –Diane, Customer Relations**



Perfume has been around for millennia and the product has ties traced all the way back to the high priests of Ancient Egypt. The Priests would use the fragrance in religious ceremonies and the concoctions were revered as the sweat of the gods. Perfume continued to develop and eventually broke out of its religious constraints. In Ancient Greece, athletes would play sports naked with only a thick layer of perfume added to their bodies. Perfume was also used heavily in public centers such as bathhouses. The smells were often heavy and musky, resembling the smell of a lion's cage or an overwhelming brew of lavender. Olive oil, almond oil, and animal fats were generally used as the base of the perfume. Flowers and other natural scents of fruits or extracts were added and absorbed by the heavy base to create the final fragrance. Even in medieval times up to the renaissance the use of perfumes were culturally relevant. Many people associate perfume with royalty and know that the kings queens and other nobles of the day would

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wear the finest fragrances. What many people do not know about is the dark and more mysterious uses of perfume. When the Bubonic Plague broke out across Europe, the doctors would stuff scents of lavender and other flowers in the ends of their beak like masks. This was done in an attempt to ward off the illness that affected their patients. Perfume would be put on everything during this tumultuous period for just that very reason. Eventually, perfume would become a tool of seduction and this is the way most people view it to this day.

Fragonard itself is in its fourth generation of management and they continue to develop perfume as their main product to this day. They have diversified with jewelry, clothing, and soaps to complement their perfume sales and add value to the brand. Their approach to promotion is rather simple and has remained the same as it was from their small beginnings. They do not advertise. Instead they maintain tight relations with tourists and hotels in the area to earn their customers. Their five factories are all located in tourist destinations and offer travelers a unique experience in an authentic and comfortable setting. All scents are built in house and raw materials are selected from the finest of suppliers. A huge selling point that Fragonard features is the ability to build your own perfume.

The scents in perfume are built like pyramids in the sense that there must first be a strong base with deep smells like musk to build the additional texture upon. Next you are to add the middle of the scent, also known as the head. This is generally made up of spices and other “flavors” that support the lighter notes of the fragrance. Finally, the light or top of the smell is created with scents from objects such as citrus to complete the process. What we as humans

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smell first is the scent of the top notes. If you were to wait a while after catching the scent of the top notes, the initial aromal will wear off and you will begin to experience the base notes of the fragrance. Although fragrances have changed with the times, it is still no less difficult to create a new fragrance. It literally takes 100 kilograms of rose petals to extract 1 kilogram of Absolute (Absolute is the essence of the smell; the potent and concentrated version of what our nose experiences). The company has taken steps to differentiate their products as well. In addition to their high quality ingredients and in house production, Fragonard also uses aluminum bottles in many of their products to protect the fragrance. You can drop the bottle, leave it in sunlight or simply forget about it in your medicine cabinet. Whereas most other perfumes would lose potency, the aluminum bottle will protect the fragrance much longer than other bottles used by the competition.



### **Strengths:**

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- Locations were placed near high traffic tourist areas.
- They manufactured their product in sustainable containers made out of aluminum which kept the product fresher, longer.
- Fragonard has a website set up to enable customers to repurchase items that they got while travelling.
- They allow people to tour their factory which creates interest in the company and brands their business as a tourist attraction.

#### **Weaknesses:**

- They do not market or advertise. Fragonard only sells their products in their own stores and in duty free shops.
- They rely on word of mouth from their customers and people who have visited their factory, which isn't always reliable because someone may have had a bad experience.

#### **Opportunities:**

- They could potentially start advertising beyond their traditional word of mouth campaigns.
- They could begin partnering with other companies or celebrities.
- They could entertain the option of expanding their stores to handle more orders and reach more customers in different areas.

#### **Threats:**

- Other perfumeries around the area, and other perfumes that advertise and partner with companies.

**Eli Lilly – Luciano Di Cecchi and Patricia Gerald**

At 135 years old, Eli Lilly is a company that has withstood the test of time. It has differentiated itself by serving the patients of the medical industry rather than doctors and hospitals. This business model has helped Lilly to be ranked #4 of major pharmaceutical companies that are deep in innovation.

Lilly was founded in 1876 in Indianapolis, Indiana. The company was built on strong core values. It is these values that Luciano Di Cecchi, our speaker, attributed the continued growth and success of the company to. The company first and foremost values people, both inside the company and outside, customer or not. Lilly also supports organizations with ties to childhood diabetes and they sponsor events which raise money to send students to college. They also help families to treat complications that are associated with all types of diabetes. Eli Lilly even said it himself, “Build men, then medicine.” Lilly also firmly believes in integrity and excellence in all that they do.

Most of the time spent in creating products is in the research and development stage. The entire process from start to finish generally lasts no less than 14 years. The process of discovery alone takes 2-10 years by itself. Discovery is the process where over 10,000 molecules are originally selected and are tested for usefulness against a certain illness. Once they have narrowed the list down to about 250 compounds, preclinical tests will commence. Preclinical tests are typically involving animals and the testing is controlled by a stringent set of laws. After the compounds are narrowed down even further to 5 final selections, phase 1 through 3 research

is complete. At the end of these tests the drug is selected and must be approved by regulating agencies such as the FDA in the United States. Pharmaceutical companies need to invest 17% of their sales back into company to make this process successful. In other industries that percentage is much, much lower.

**Strengths:**

- Sincere and frequent projects for corporate social responsibility add value and integrity to the brand.
- Ranked 4<sup>th</sup> when compared to other pharmaceutical companies. This increases consumer confidence and gives them better position in the industry.

**Weaknesses:**

- They do not have control over the decisions that regulatory agencies make.
- They cannot control the effects that a drug will have on certain individuals.
- Lilly must invest decades of time to create a single product. Even after it is created they must time the launch properly so they may maximize their patent on the product before generic manufacturers use their compound.

**Opportunities:**

- Eli Lilly could reach new markets by opening new divisions that would treat more disease and illness.
- They could lobby for more laws that would protect their patents.

**Threats:**

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- Competition within the industry could threaten their revenues which would decrease their overall profitability.
- The medicine could possibly harm individuals when it is released to the public.
- Lawsuits from upset customers or other agencies could tarnish the brand and cost the company thousands if not millions of dollars.

### **Innsbruck Tourist Board – Nicholas Boekdrukker, MA**

The Innsbruck tourist board is a non-profit organization that serves the businesses of the Innsbruck/Tirol area as well as the cities themselves. Under the I.T.B. there are 5 million day visitors each year and just over 2.3 million guests who stay in the city for an overnight vacation. In total, there are 75 full time employees that have kept the business growing. Since 2006, the Innsbruck/Tirol tourism industry has seen an increase of 3.5% a year. The work of the Board is done in the business to business sector, business to consumer sector, and in development of the tourist infrastructure. They handle all the channels that allow visitors to access information, tickets and reservations in the Innsbruck/Tirol destination and the Board is active in 33 countries. With a budget of just over \$13,000,000, the Innsbruck Tourist Board handles two main segments of their business; external and internal.

The external aspects of the business deal in business development, existing client management, product development, and other high priority items such as media relations. They must also look to draw overseas trade through workshops and trade shows. These trade shows

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can cost the board anywhere from 10,000-20,000 Euros depending on the location of the show. Participating in these trade shows only generates about 10-20% of their revenues but it is a necessary cost of doing business. In years where the IBT has neglected to attend shows, people were genuinely upset and confused by their absence. In addition to trade shows, the IBT also goes out on sales calls where they will entertain clients or even field questions at press conferences. The last three activities, sales calls, press conferences, and trade shows, typically generate the majority of tourist business brought to Innsbruck.

Now in terms of the internal aspects of the non-profit, there are multitudes of things that must be done to keep the campaigns and cities strong and valuable. The Board involves themselves in infrastructure development to help make the city all the more appealing to potential visitors. An example of this development would be the restoration being done to the golden roof in the old area of the city. They also handle all the print production for visitors which includes catalogues, city maps, guides, hotel lists, and event calendars. They must also invest in their future to maintain connections in their network. They pay 10,000 Euros to be included in a global media management network. Although this may seem like a lot just to be involved in a network, the return on investment has been seen to come back 20 fold for the board, so the investment is indeed worthwhile.

#### **Strengths:**

- The actual city of Innsbruck is the client of the organization.
- The country and the tourist board are both stable on the international network.

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- The location is pristine. Innsbruck boasts a no fly zone where snow falls many months of the year, and it has 360 degree landscapes that are sure to inspire. There is also an airport relatively close to the city.

#### **Weaknesses:**

- The livelihood of the board and Innsbruck is often dependent on the weather. If there is no snow, they often lose money.

#### **Opportunities:**

- The Tourist Board could branch out beyond the city of Innsbruck to groups or other individuals and take them on as clients too.

#### **Threats:**

- Recessions could hurt Innsbruck because they are so dependent on tourism activities that if people don't spend money on travel they miss out on big business.
- Terrorism could negatively impact Innsbruck because a large portion of their business is made up of travelers. If people are hesitant to travel then they will miss this portion of their tourist market.

**Swarovski – Silvia Aschaber and ShareneKirchler**



In 1892, Swarovski began with one man and a machine. Daniel Swarovski, who worked in his glass cutting factory for years, developed a machine to facilitate the process of creating crystal glass. Just a few years after his invention was born, Swarovski founds the company as we know it today in Wattens, Tyrol (Austria). Since his company was created, the brand has made major innovations to the world of crystals. Swarovski made the first sew on crystal ribbons which could be used in many applications for new clothing styles and design. This gave the fashion world and accessory producers more options to differentiate their lines of clothing. If you've been on the highway lately, you might take notice of the shiny reflectors placed in the lane markers. Would you have ever guessed that Swarovski manufactures this product and that they have been doing so since 1937? The crystals began to reach new heights in terms of fashion as the decades passed. In the middle of the 20<sup>th</sup> century, the company began to partner with

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designers such as Christian Dior. With the help of Mr. Dior, the company developed the Aurora Borealis effect. This effect allows for a much more polished and shimmering finish that enhances the look of the cut crystal. The first Swarovski laden chandeliers were also launched in the 70's and many of these pieces still reside in some of the most luxurious palaces on the planet.

The Swarovski of today is a \$2 billion dollar company with more than 1 million Facebook fans. Their products are featured at high class award shows, on the dresses of actresses and on the floors and ceilings of major events. In a sense we really can't escape Swarovski crystals. They are in more places than we might think and chances are you will be passing more than a few on your way home from work tonight as your lights hit the road reflectors. It all started with one man, Daniel Swarovski, and now over 23,000 employees work for the Swarovski brand. The brand is poised to grow and although distribution is in 42 countries across the globe, Swarovski still has a lot of work to do to maintain their position as the premiere maker of luxury crystals.

#### **Strengths:**

- Customer loyalty due to a strong brand name and unique products.
- They have pricing power because of their longstanding and elegant brand. People will simply pay more for Swarovski crystals.
- They are innovative in that they figured out a way to manufacture their crystals synthetically and moved production in house.

#### **Weaknesses:**

- Swarovski has little to offer in the way of men's fashion.

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- They didn't mention as many corporate social responsibility programs as other companies on the tour did.

#### **Opportunities:**

- Swarovski has the opportunity to continue to reach new markets such as younger consumers, men, and lower income individuals.

#### **Threats:**

- Substitute products and competitors knock offs could serve as valid options for consumers who are price conscious.
- Their new brand Lola & Grace may diminish the quality associated with the Swarovski brand.

### **GE Global Research – Dr. Carlos Haertel**

General Electric is a business of quality. When GE began with Thomas Edison near the turn of the 20<sup>th</sup> century, he knew that the products he made would need to serve a purpose larger than what most companies could ever hope to offer. Something new and innovative that would make life easier for humans is the kind of product that Edison wanted to produce, and GE stands by that same principle today. Edison once said, "I find out what the world needs. Then I go ahead and try to invent it." What is most interesting about his statement is that he tries to find what the 'world' needs instead of a customer or a single market. He knew even then that customers don't always know what they need. When you think about it, the business model of

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GE since Edison is very similar to his original perspective; find a need before the need is known.

This is how GE has stayed on the forefront of imagination and innovation for as long as it has.

This process takes lots of global research and development. The company has technological centers sprinkled throughout the world and research centers in New York and Munich. They put these plants and centers in countries that they would like to do business with, because their mere presence in the country allows the citizens and local businesses to trust their brand and their products. There are over 2,800 scientists with GE and they are met with very little global duplication or competition. Their giant research budget of \$600 million along with strong partnerships in the supply chain increases the efficiency of GE and allows ideas to flow freely and come to reality with minimal efforts or push from the business itself.

#### **Strengths:**

- GE produces high quality products that are formed through innovation and large investments.
- They have a wide diversity of products and services offered internationally to businesses and consumers alike.
- There is a strong central management that promotes synergy among all divisions and regions of GE.

#### **Weaknesses:**

- There is a high transaction cost associated with their operations.
- Patent laws are often hard to obtain and this stifles the creative and manufacturing process.

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- Group think may often overtake the company since the mindsets of those hired are often very similar.

#### **Opportunities:**

- More areas of the world could be exposed to GE. In America they are a household name but in Europe they are not nearly as visible.
- Improvements in quality can always be made. After all, nothing is perfect.
- The company could continue to gain market share through mergers and acquisitions.

#### **Threats:**

- Competition for GE is always a threat. Although they are a powerhouse, they understand that they must always be vigilant and aware of emerging firms, technologies, and market trends.
- Media depictions can be especially damaging to the brand. Take BP for example!

### **BMW Welt**

BMW Welt was a fascinating place that aligned very strongly with the brand of BMW. It was unique, fun, innovative, and classy. Before we even began our tour of the facilities, a rider on a dirt bike put on a show for the crowd inside of the actual building. He would ride up and down the staircases, doing tricks and revving the engine throughout the walkways. People stopped to watch and the audience was very involved in the event. The bike that was being used was of course, a BMW motorcycle. How's that for marketing! Next we began our tour of the Welt. One of the main purposes of the building is to house the staging area for new cars that will

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be driven off the lot. This process is a just in time process that was depicted in great detail in a video we watched. When the video finished explaining the just in time delivery system, the screen lifted up and revealed the storage area for the arriving cars. It was fascinating to see and it truly opened my eyes to what happens behind the scenes to make their operation a success.

The tour continued out into the tourist area that featured their bikes and cars, both new and old, with plenty of opportunities for photos. When you think about how many of those pictures will end up on Facebook, the brand has done an excellent job by creating something relevant that people want to be a part of. Not to mention that all of the logos from BMW will be prominently displayed in all of the pictures taken at the BMW Welt. This is some superb marketing and we don't even realize that we're perpetuating it! We pay to view the Welt, take pictures with their products, expose ourselves to the products and walk away as poster-child's for the company; brilliant!

Finally, we ended our stay at the performance center where many movies, events, and other productions are hosted. Hosting at the BMW Welt generates interest and buzz around the location and the brand itself. It was truly a remarkable facility that will serve BMW well as a marketing engine for generations to come!

#### **Strengths:**

- The design of the building was strength of BMW Welt. The unique shape and architecture helps attract more visitors and earns the brand more publicity.
- All of the events and exhibitions they can host helps them appeal to more people and allows them to bring in more revenue while driving awareness of the brand.

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- They have a junior campus where kids ages 7-13 can go while the parents tour the welt.
- They offer a lot of guided tours to help customers learn more about the BMW brand.
- A unique aspect of the BMW Welt is the individual, personally staged delivery of new vehicles.
- Another strength is the variety of food they offer within their restaurants, coffee bar, and bistro which caters to all cultures of people who visit the Welt.

#### **Weaknesses:**

- Since there is only one BMW Welt that offers this experience, it can be hard for a lot of people to travel there and experience what it has to offer.
- BMW also faces challenges from an environmentally conscious population. More and more people are looking for fuel efficient cars, and most of BMW's automobiles don't get the gas mileage consumers are looking for.

#### **Opportunities:**

- Going along with the fact that there is only one BMW Welt, I think that building another welt, possibly in the US, could be a profitable opportunity.
- Another opportunity is to continue to host new exhibitions and events to keep bringing in new customers.
- BMW Welt could build on their social media pages and use those pages to advertise new products or events that are coming up.

#### **Threats:**

- A possible threat could be BMW's competitors designing something similar to the BMW Welt. Something like this could take some of BMW's customers away. This would also make the BMW Welt experience less unique.
- Another threat is the unstable economy with its ebbs and flows, which would prevent people from travelling to the welt due to lack of funds or financial uncertainty.
- The economy getting worse would also cause less people to purchase luxury vehicles such as a BMW.

### **In Depth Analysis of the World Trade Organization**

#### **Historical Summary of Company:**

The World Trade Organization began in theory around World War II. The United Nations saw a need for an organization that had the power and influence to regulate negotiations and treaties on a global level. Shortly after this idea was brought to light, the United Nations met at Havana to create a charter that would establish such an international trade organization. News of the entity spread and 23 nations quickly joined in 1946 and 2 years later, the Gatt began rounds of negotiations began in Geneva, the current home of the WTO. Although it was still in its infancy, the negotiating agency continued to host rounds of negotiations. In 1949 in Annecy, 13 countries met to present their grievances and another meeting happened in Torquay in 1950; this one with 38 countries. The numbers of countries involved continued to grow. By the 6<sup>th</sup> round of negotiations, also known as the Kennedy Talks in 1964, there were 62 members in the

young Gatt. From 1964 to 1967, the nations agreed upon terms that would open the markets for trade. The rules that they set in the Kennedy Talks are still being applied to trade today. The majority of talks up to this point were mainly focused on reducing tariffs in developed countries. It wasn't until 1973 in the Tokyo negotiations that the terms were spread to include government procurement and anti-dumping policies. The issues that were handled in the talks continued to expand. In Uruguay from 1986 to 1993, 125 members discussed new sanitary measures and intellectual property. Just before the Uruguay talks took place, the Gatt as it was known rebooted itself and was renamed the World Trade Organization on January 1, 1985. The World Trade Organization is now in its 9<sup>th</sup> round of negotiations named the Doha round. The Doha has been convening since 2001 and to this day the members are unable to reach an agreement. The terms of the discussions center mainly on tariff related issues, and although these issues were fairly easy to resolve in the past, more members and more at stake makes addressing the issue much more difficult than it was in previous years. With 155 current nations and Russia on its way in, there are many interests that must be taken into account and until all parties are satisfied, the process cannot be ended.

**Product Diversity:**

To discuss product diversity for the World Trade Organization is rather difficult because their product is actually a service. The WTO is simply an entity that grants nations a forum for negotiations while playing the part of a regulating agency in the process. The WTO grants nations the opportunity to thrash out their issues and with the aid of their secretariat, they are

able to move the process along efficiently and with a purpose in mind. The end “product” of their efforts is an agreement to terms by nations involved. This agreement or treaty is completely customizable and the decision of what it will be is totally up to the negotiating parties. The WTO will act as a mediator but nothing more. Because of this freedom and autonomy given to member nations, the end “product” is extraordinarily diverse in that whatever the diplomat wants, he can certainly get so long as he can get all parties in the process to agree.

### **Geographic Diversity:**

Although there is only one location, 155 member nations (soon to be 156) from all over the world converge on the grounds to partake in negotiations. It is based in a centralized location as a means to get all the diplomats and leaders of the parties in the same room when negotiations are in session. If given the option between 2 or 3 campuses, many nations would simply chose the location that is most convenient for them to meet in. This would further complicate the negotiation process and leave the Doha moving even slower than it was before. So although the WTO is not physically diverse in its locations, the decisions made under the regulation of the WTO affects everybody in the world in one way or another. In a sense, their service and end products are either beneficial or detrimental to all the people of the world, making them omnipresent and geographically diverse in a theoretical sense.

### **Industry Position:**

The World Trade Organization has an outstanding position in the industry because there is no other place that offers nations the same forum for negotiations. The World Trade Organization

is one of a kind, so they essentially dominate the industry by default. The WTO offers nations 10 key benefits when they choose to affiliate with the WTO and bring their gripes to the negotiating table. The list is outlined below:

1. The system that has been set in place helps to promote peaceful negotiations regardless of what nations are involved.
2. Disputes will be handled constructively and in a manner that will promote a win-win situation for all parties.
3. The rules that the World Trade Organization have created make life easier for negotiators. Imagine how messy a game of football would be with no rules!
4. By aligning your nation with the WTO and allowing freer trade, costs of living can be cut for your country.
5. The affiliation with the WTO will provide your nation with more choices of products and qualities than it previously had available.
6. Earning more trade will raise a country's income.
7. Additional trade will stimulate economic growth.
8. The basic principles that the WTO promotes make negotiations and life in general, more efficient.
9. Governments can be shielded from lobbying when they work in close contact with the World Trade Organization.
10. Being involved in the system will encourage good movement for your country.

The benefits that are mentioned above make joining the WTO very appealing for nations all around the world. Because the WTO is the only place that can offer such benefits, their position in the industry is secure, unique, and unrivaled.

**Strengths:**

- They have a multitude of member nations which adds weight to the decisions that are made under the WTO.
- The secretariat keeps the process running smoothly and continuously with their team of lawyers, diplomatic aids, and secretaries.
- The WTO uses momentum from their secretariat and member nations to keep negotiations moving forward, never backward. They refer to this theory of productivity as "the bicycle system".

**Weaknesses:**

- Processes, although forward moving, are often very slow and can be held up by various stalling techniques or technicalities.
- Large nations hold more power than their smaller counterparts. This can allow them to stall in negotiations with little backlash from other nations.
- The young age of the organization doesn't allow for many precedents to be used in making decisions. In United States law, precedents generally set the law for future cases. In the WTO, they simply do not have this luxury and even if they did, nations could still object to the terms outlined in a precedent.

**Opportunities:**

- There is still opportunity for more members. There are currently 156 nations with many more nations still not affiliated.
- The countries found within the European Union are represented by a single party. Perhaps other continents/regions could use this same approach to gain support or increase efficiency.

**Threats:**

- Volatility amongst nations can lead to sluggish or nonexistent negotiations. These situations can harm other nations that are looking to seek benefits from a particular set of negotiations.
- Terrorism can make nations fearful and feel as though others are untrustworthy, regardless of who carried out the attacks.

**Current and Future Strategies:**

In the discussion with the information director of the WTO, I learned that there were two major strategies that the organization tries to utilize in their process. The first strategy is a tool they've named The Bicycle Theory. The Bicycle theory states that if you keep the negotiations in motion, they will not tumble. Just like a bicycle, the organization must have forward momentum or the negotiations will fail. The second philosophy that the WTO looks to build upon and continue using in its process is the Ink Spots Paradigm. The Ink Spot Paradigm

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suggests that just as a drop of ink will absorb into paper and spread to new places so too will nations if a single country leaves the first drop. I'll break it down and explain their point in simpler terms just as they did for us. In negotiations, diplomats typically avoid budging if they are not fully satisfied. Countries are generally not willing to accept concessions when they are there to win for their country. However, if negotiations are at a standstill and all countries refuse to make a move, if just one country's diplomat is brave enough to accept the terms then others may relent on their position and agree to the new terms of the discussions. So in a sense, the first country to move is like a pen touching paper and the other countries that join in are like the ink that spreads out, making the original dot that much bigger. Utilizing these two principles, the WTO hopes to achieve more efficient negotiations that leave everyone taking something home.

The future of the WTO looks bright with 19 countries recently introducing another negotiation to the docket. The nations have come together to negotiate a high quality services package that will effectively bring 3 million jobs to the USA alone. The WTO will continue to level the trade deficit between their many sectors and push for the equality of tariffs among developing and developed countries. To bridge these disparities would be a huge victory and it is something that the organization will continue to strive for in the future. Doha, their current round, is the last opportunity for developing countries to harmonize with developed countries and finally equalize the trade deficit. The WTO is confident that with their oversight and process they can finally achieve success for the Doha negotiations.

**Summary of Cross Cultural Experiences**

**London, United Kingdom:**

Even from the very first hours of visiting a foreign country I was faced with differences in culture that were very apparent and embarrassing. A group I was exploring with wanted to find food after our long flight over the Atlantic. We walked into a little shop called Pret a Manger, featuring pre-made sandwiches made daily every morning. When I selected my prosciutto sandwich I brought it to the checkout and experienced a very difficult exchange while trying to purchase my first meal in Europe. Instead of saying here or to go as they would say in the United States, they asked if I want to “have my meal or take it away”. I asked 3 times for the cashier to repeat what she said. I simply did not understand what she meant. Of course I want to have my meal! Her accent also seemed very thick and pronounced and after I finally got the meaning of what her polite question meant I had already made myself look like a fool to the entire staff. While I swiped my card for my prosciutto sandwich and water the cashier asked where I was from and I shamefully answered. I didn’t know how people in the UK would react to the Americans. From what I had heard, foreigners were not very fond of those from the US. Instead of scoffing at me she simply laughed and we both went on our way. In reality, it was a completely painless situation that simply resulted from a misunderstanding. There were no negative prejudices or judgments made by either party, we simply had different ways of saying the same thing. Now in the United States, pre-made food in stores typically has the taste and texture of cardboard. This premade sandwich I had from Pret a Manger tasted so fresh and it

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was perfectly flavored. It was remarkable the difference in quality, and after seeing more restaurants like it throughout Europe, I knew that this expectation of quality food was not an isolated incident. The quality in service was also exceptional throughout London. A few members of the group and I went out to experience fish and chips at a local pub. The bartenders and waitresses were nothing short of amazing. They were very willing to help and engaged in real conversations with us. It was nice to feel so welcome in a place so far away. There was one instance though where I received particularly poor service.

One morning in London there was a bit of a mix up over breakfast. I was informed by my tour leaders that breakfast was included with my room but they charged me 10 pounds to sit down and eat my meal. I learned that I had been wrongly charged from my group leaders so I asked the server about having my money refunded. They took a very long time to refund the money I had spent and the service agent had to speak to a few different supervisors to give me my money back. In the United States, the issue would most likely have been resolved very quickly. Managers at US businesses are typically trained by corporate officers to tend to the customers every want and need. When I worked in the food and retail industries, we were to please every customer no matter how rude or wrong they were. In Europe, it did not seem that this was the case. If the server didn't believe me then I honestly feel that I would not have received my money back. For the most part though, people are very willing to help and are often very friendly.

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The people of London enjoy spending time in their day to eat and socialize. Everywhere we went there were people sitting on steps, benches, and architecture just eating, drinking, and being merry either with friends or simply enjoying the day by themselves. In London they take long lunch breaks and get off work early in the day. The city seemed to come alive with people around 4 or 5 PM and men and women came out for beverages and good times with friends. I saw more men drinking wine in two days than I had ever seen in the past 21 years of living in the U.S. Men and women often buy bottles of wine and drink the entire thing during their meal, which generally is much longer than a meal in the U.S. It is also more social. The waiter will avoid the table as to not interrupt conversations and if they do come over they will only become part of the conversation if you invite them with questions or comments. Tips are generally not accepted and the check will not come unless you ask for it. This is in direct contrast to the “turning tables” routine found in the United States.

On the last night of the London stay I was sitting in my room watching television with friends and I saw something very peculiar. There was a commercial for shows that normally run on MTV in the US such as Teen Mom, 16 and pregnant, and The Jersey Shore. These shows were marketed on this UK station as a Friday night line up filled with crazy, rambunctious, and wild Americans! It was very interesting because it put the world view of America into context. It seems to me that they may think we are all crazy partiers, pregnant by the time we're 16 and popular based on the programs that represent our culture. Just as many Americans look at the

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BBC and think that the personalities and shows on that channel accurately represent the entirety of the British culture.

Another difference in the culture of London compared to the United States was the language. Although, they spoke the same language in practice, the culture uses different words to describe everyday things. For example, the restroom is the loo, a police officer is a bobby, and to yield for pedestrians or traffic is known as “giving way”.

I also remember visiting a dance club to see what it was like on the inside. The dance club did not allow hats and they would not let any of us in unless we took them off. On the dance floor there were only three men dancing. They were dancing in a fashion very much like the dancing of the American 1980's. The area that this club was in (Picadilly Circus) was still lively, packed, and pulsating even at midnight on a Wednesday. I couldn't see this happening in DeKalb or even Chicago. This social lifestyle is in stark contrast to the workhorse lifestyle that we lead in America. Compared to every other country we are some of the hardest working people in the world. We have very few breaks in our work day, we work long hours, and we have high expectations involved in our work. A good friend of mine on the trip made the joke that if anyone in our group was to work in Europe, they would be the most productive individual in the entire company.

**Paris, France:**

My first impression of the French culture began when I stepped off the train from London. We walked out into a rough looking area and as we were walking I noticed the streets were covered with garbage and graffiti. This was an odd welcoming and took me by complete surprise. The area was a bit sketchy, with street vendors and card players at every turn. It was very different from the beautiful streets of London and didn't quite match with my vision of Paris that I'd been sold on. Then again, every city, country, or neighborhood has its good and bad areas. Perhaps the area that we stepped out into was the rough part of the city. Also, when talking to locals, they said we should not believe that London was normally as beautiful as we had just seen it. They told us that due to the upcoming Jubilee and Olympics, London increased budgets for street cleaning, maintenance, and other internal interests. So to compare London to Paris may have been a bit foolish if what these locals said was true. We passed amazing sites all over the place and after we got out of that first bad part of town, I saw the Paris that everyone had always spoke about. The tour guide Charlie told us to be very wary of pickpockets and that if anyone approached you who was looking to distract or try and ask for directions, "send them to hell" and walk away. Although you had to be wary of pickpockets and thieves in France it was still better than worrying about getting mugged in Chicago. Crimes are generally far less violent in Europe and although it would be unfortunate to lose your money and paperwork, at least you can walk away with your life.

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France was an amazing place and truly a cultural center. We like to think of America as this great melting pot where all people from any culture and creed are welcome, but what about other languages? In Paris, I would hear 4 languages while commuting on the train and the funny thing about it was most people on the train could understand all of them. In speaking to the people of France, many of them knew French, English and another various language that they learned out of interest or necessity. That means that each citizen knew at least 3 languages and could speak them fluently. In America most people are satisfied with knowing only one; English. How arrogant are we as Americans to think that learning one language is enough and that it is all we should ever have to learn. Why are we better than the Mexicans who live in our country or the French or the Polish? We aren't! It's amazing to hear the multitudes of languages that were being spoke throughout Europe. I really began to feel like a foreigner in the French environment and I understood how isolate I was as an American; how sheltered I was from the rest of the world. Even when an individual spoke English the accent was often so thick that I would have to strain my ears and watch their lips closely to pick out the words.

On the point of being sheltered that I mentioned in the last paragraph I must ask the question; how uninformed are we as Americans to not know what is really going on in the world around us. If a person really wanted to know the honest truth with no spin or bias about America, then instead of listening to the traditional media sources such as the major news networks they should go read an international paper. I came across an international paper in the hotel we were staying in and I saw things in that paper that I have not seen or heard about from the typical news outlets that I'd watch at home in the States. We present our country in the

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media as the purveyors of peace but flexing our naval muscle in the Chinese waters and having spies being found and executed in Russia is hardly playing nice. It's hard to act informed when you're about as naïve as you can get. Reading these sorts of articles shocked me and showed me that the world is much bigger than the United States. I need to open my eyes to the issues of the world and not just the issues I find in the city newspaper. The world is global now and to shelter myself from the global news by reading only local papers and watching the US news sources would be a disservice to myself and other cultures as well.

Furthermore, I realized on the trip that the French people are like mirrors. This idea that they are all disgruntled and angry is part of a bigger problem. Americans quickly point the finger at others for their wrongdoings before looking within and reflecting on their actions. If a French individual was treated poorly or with disrespect, then that is probably what they give back to the instigating individual. So long as you try to be pleasant with other cultures, they will do the same. We found this to be true with the French in particular. We don't even realize half the stuff we do wrong. I took a step back from the group one day to observe their behaviors and to see how the locals reacted. The information I obtained from doing this exercise was astounding. The group was loud, obnoxious, they got in the way, moved slowly, laughed constantly, were oblivious to the world around them and the list went on and on. I saw locals on the train sneer, turn and look at my group while their eyes rolled in disgust. At Euronext, the group was being loud in the lobby while the secretary was trying to answer calls and I could clearly see her speaking with her colleague about us. Everyone in the group was simply having

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conversations amongst their friends but nobody realized just how loud they were being. The one thing that absolutely took me by surprise was a specific instance on the train. We were all standing on the train when two men walked on at a stop. When they realized we were Americans by the way we spoke and behaved, they gave each other a look, turned, and walked straight back off the subway car without speaking so much as a word to each other. I couldn't believe how put off they could be by us and yet in hindsight, it is perfectly clear. We had a book of things not to do in foreign countries such as France and if you compared our actions to what was on the list our group did every single one of those things. How disappointing and sad that we must reinforce this negative stereotype of the American culture. What's worse is that we don't even realize we're doing it.

At restaurants I had to be especially careful. There is no regulatory agency like the FDA and there certainly aren't any health codes. This makes ordering meat into a huge guessing game with a lot of risk associated. My food could be cooked super rare and there would be no repercussions for the restaurant. In one or two restaurants there were even cats walking around and sitting on tables. In another restaurant there were babies crawling on the ground and a nursery was placed adjacent to the kitchen. The worst offense of all was the time I saw inside of one kitchen in particular. The restaurant stocked its meats and other ingredients right next to the harmful, perhaps even deadly cleaning supplies. At any restaurant the language barrier was evident yet again. Blank stares were commonplace and the waving of hands happened all too frequently.

**Nice, France:**

When we first arrived in Nice we did laundry and what a chore that was. As if doing laundry isn't time consuming and bothersome enough, we had a language barrier to overcome. All the signs were in French and the people at the Laundromat did not speak English. Not only did we have that to contend with but the machines were all broken for the moment. Again, the waving hands and slow articulate speech could only get us so far. The people were very sweet and more than willing to help but they looked just as clueless as we did when we were trying to communicate. Eventually a woman who spoke English came in and translated the conversation.

My group went down the road one night to have a calzone at a local restaurant and since we were in France it was no surprise that everything there including the calzone had ham on it (jambone). At rest stops they had ham sandwiches, straight ham, ham wraps, etc. The French really enjoyed their jambone and it was really quite annoying considering ham isn't even that good unless it is made in such a way that it becomes prosciutto. The drinks at the stores, and throughout the area, were all fruit based. I'm used to seeing nothing but carbonated and sugary drinks with a small selection of water in a restaurant. In Europe this simply wasn't the case. I spoke earlier about how Europeans value their quality in food. Well it turns out that they value their quality in beverages too. Their fruit drinks were delicious and I would take time to read the ingredients on the back of the label. In America, high fructose corn syrup and concentrates would oftentimes be the main ingredients. In Europe, the ingredients were simple; fruit, water,

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and natural sugar. My favorite drink in particular was tropical oasis. If I could get my hands on a bottle now I would probably be the happiest guy in the world.

Another thought to add on is that although the language barrier used to be stressful and scary, after a few days in Nice it didn't even phase me anymore. I realized how much of human interaction truly resides is in the tones, inflection, and expressions of the parties involved in the conversation. I don't speak any French but a few polite conversation pieces and a positive attitude had me getting by just fine. Please, thank you, and the name of whatever I needed is all I had to have to obtain the information or item I needed.....and money. They definitely like money, especially cash.

I felt more and more like I was in Rio de Janeiro than I did France at some points. The cultures in Nice are so mixed, the weather was tropical, and the beaches were alive with Latin music and spirit. We went to the beach a few times and we walked up a long flight of stairs to the ruins of an old church. When we reached the top we realized we finally weren't the loudest people in the area! There were teenagers cruising around on longboards and people shouting in the parks. As I said before, Nice was alive and full of excitement! It was interesting too that if you didn't have a shirt on when you were walking in the streets of Nice you will get undoubtedly be stopped by the police, but if women had their tops off at the beach everything was perfectly alright. I found this to be a little odd. Food was amazing in Nice and it was by far the best cuisine that I had on the trip! I ate penne pasta, delicious pizza, gelato and liters of beer all on the strip which included live music and a great beach front atmosphere.

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One day we had an interesting thing happen to us at a family owned restaurant. When we were out on a company visit we went to lunch and had a man playing the accordion while we ate. Our trip leader told us that if we enjoyed the music we were to pay 1 euro or so to the musician. He would come back to your table if you gave him money so even though we thoroughly enjoyed the music, we certainly did not have the funds to keep the human jukebox going, so we pretended to be deaf and depressed for the remainder of our lunch.

#### **Florence, Italy:**

When we made it to Italy my initial reactions to the countries may have been a bit skewed but I thought I would include my thoughts nonetheless. As we drove through the Italian countryside I saw small villages dotting the landscape. Each little town was built around a central cathedral and the villages didn't look as though they were more than a mile long. The houses were all very uniform, made of the same materials and generally of the same color palette. The roofs of the buildings stood out to me most in that they were all made of terra cotta shingles. Whenever I saw pictures of rural Italy, this is just the kind of home I would always see. It was very odd to think that this city planning and housing style originated from the ways of generations hundreds of years ago. Much of Europe is now atheist and to think that cathedrals still mark the center of towns is a little bit ironic.

We stopped at a rest stop midway through our drive. They served pasta on the go so I figured that I would try some. It was terrible, not at all up to par with the quality food I had in

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London, Paris, and Nice. The help there was rude and actually said “MAMA Mia!” when we didn’t order our food right away. I couldn’t make that up if I wanted to. The people inside of the stop looked so sad and sluggish and in hindsight, it was honestly the best representation of the Italian culture and an accurate first impression. From that point on, using the simple pleases and thank yous of the language would get me through transactions but nothing I could say or do would make the exchange pleasant. Other shops throughout Florence and the Italian countryside were easier to do business with but more often than not, the transactions were more like the one that described above.

Upon entering Florence, I decided to do some laundry. The only problem was that I only had a 50 euro note. There were little shops all around the business and I thought that it would be worth it to purchase a few drinks in order to split the bill into smaller increments. In the United States this wouldn’t have been a problem but when I tried splitting the note by buying some drinks at a nearby shop the owner turned me away because he didn’t have change. This would have never happened back home but I guess that in Florence, keeping small bills is more important than earning small bills. I really think he was just lazy but I guess I will never know. While the laundry was in its cycles we went back and forth to a city square. We did something very unique to the area that I was unable to do in any other city or country; haggling! We haggled with the locals for goods in the market and got a plague doctor mask price down from 35 euro to 18 euro. We all had a great time doing this and my sales buddies and I might have had a little too much fun doing it! I learned more about sales from this transaction and others like it than I did in my entire 350 course at NIU. It was real world experience where I had to

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find a win-win situation in negotiations. Every shop could be haggled with and many times we would bundle items together to save money on our total! We figured out quickly that we could easily get half off on most tourist wares that the street vendors were selling.

On that point, there are close to no corporations in Florence. It was strange because normally when you walk into a shop in the states you are doing business with an employee of the company. In Florence, when you walked into a shop you were more often than not doing business with the owner of the establishment. When you do business with the owner you have the opportunity to negotiate but you lose the safety net of corporate policies that America had to offer such as “the customer is always right”. Because of this reality I had more than a few bad experiences with local shop owners while trying to purchase items.

In every city I would buy 2 or 3 postcards of the attractions that I had visited. When I went out to buy postcards in Florence the shop owner was rude when I went to pay. He literally threw the cards down and pretty much threw my change at me. He didn't seem too happy with my nominal purchase considering the postcards would only be about 50 euro cents in total. Also, no one likes accepting credit cards in Florence! Everything is exact change.

I mentioned earlier in this section that there were close to no corporations in the area like Wal-Mart, Best Buy, etc. There was only McDonald's and for the sake of comparison to the United States, I decided that I should go in and check out the service and the food. We went in late at night, a little after 10 PM. At that time of night the food at night is all premade and it tastes like trash. I got a “New York City Burger” and “Miami Fries”, both of which were

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terrible and tasted like nothing I've ever had in New York or Miami. They had obviously been sitting there for quite some time and in clear violation of some form of health code for the United States. Here in America, McDonald's food is to be thrown out if not served within 10 minutes of preparation. These meals we got were obviously more than half an hour old. My friend Matt wanted to get a McWrap and they wouldn't even serve it to him because they would not make new items this late at night. They were instructed to only sell premade options. Also, it was odd that there was a bouncer inside the McDonald's and multitudes of people were sleeping on the chairs and tables. It was very odd and was unlike anything I've seen at a McDonald's stateside.

#### **Innsbruck, Austria:**

The first impression I had of Austria was while we were driving through the mountains to our destination of Innsbruck. The scenery was epic and too beautiful for words to truly describe. The landscapes were marvelous and so natural, save a few roads and houses that dotted the sides of the climbing hills. Snow-capped peaks were visible for miles on all sides and the people seemed to lead a much simpler life with a house, livestock, and their family to keep them satisfied. When we finally reached a point where there was some civilization we stopped at a rest stop to grab a bite to eat. I don't know how it was so good but the Capri sandwich I got was honestly one of the best things I had on the entire trip. Once again, I am baffled by the difference in quality from gas stations and rest stops in the United States. As I've said before in this paper, the Europeans really seem to value the quality of their food selections and if there is one thing I miss a lot by being back in the US it is the quality and selection that most of Europe had to offer.

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In fact, if we're talking about quality, I must mention one of the restaurants we ate at in the city of Innsbruck. After our discussion on the Innsbruck Tourist Board and our sign up for activities, the speaker, Nicholas Boekdrukker, offered to show us a place that had great food. We asked him where a good place to get schnitzel was and he brought us directly to a restaurant named the Theresien Brau near the older end of town. I tried the original veal schnitzel with potatoes, some potato pasta, and of course potato salad. My god! it was divine. The food was packed with so many flavors. It was stuffed with love and care and wrapped up in pure delight. Okay, perhaps I am exaggerating, but only slightly. To add to the amazing meal we had mugs of the house beer which they made in house seeing as they were a microbrewery. The adult beverages were also extraordinarily cheap once we entered the nation of Austria and that same trend would continue on into Germany. The food was honestly so good that we went back to the Theresien Brau the next day and got two plates of their noodles, two plates of potato salad, goulash, and of course a pitcher of beer. Mind you, all of this food was for 3 people. I think it is safe to say that we all left Innsbruck with our appetites and our taste buds feeling quite satisfied.

The food and beverages of Innsbruck weren't the only good things that the destination had to offer. The people of the country were nice beyond reason. When I say that I did not come across a single rude or pushy person while I was in Innsbruck, I am being honest. Whenever we went into a shop or restaurant, we were invited to join a conversation. Most of the people there spoke English so it was very easy to get by and really communicate with the people. Our guides for paragliding, the concierge at the hotel, the shop owners and ordinary individuals

on the street all had smiles and stories to share. We were delighted to be a part of the city and we all felt very welcomed in the area. Innsbruck was actually given a nickname on the trip that stuck with me. We called it “The Happiest Place on Earth” and hopefully you can tell from my testimony and experiences that we gave the Innsbruck that name for good reason!

**Munich, Germany:**

Once we arrived in Germany, it was instantly apparent that Munich was the most Americanized city of our trip. Munich resembled a “small big city” from America in the same vein as St. Louis, Cleveland, or Indianapolis. It reminded me of these American places because of the city’s layout and the buildings that populated it. It wasn’t the historical centers that we were used to in Europe such as Florence, London, and Paris. When you stepped into Munich you didn’t step back in time and experience monumental landmarks. It was just a basic city with a few points of interest and a whole lot of beer in my eyes.

Beer flowed like water in Munich. People always told me that the Germans love their beer but I never truly believed that until I experienced what I did in Munich. Everywhere I went there was beer being served by the liter. They don’t measure their drinks in cans or bottles, but instead they measure them in liters and half liters. When I would look around at restaurants, beer gardens, or city squares to people watch I could not find anyone in sight drinking bottled water or soda. I believe that this would be culturally unacceptable in the United States considering public intoxication or consuming alcohol in a city square by the liter would be

frowned upon. Police officers actually stopped one of my good friends recently and ticketed him for carrying a crushed can of beer while walking home at NIU. In Munich, the alcoholic beverages were like something out of a Dr. Seuss book. You could drink it here, there, in a square, and you could drink it everywhere.

In terms of traveling around the city, Munich had a public travel system that was just the same as everywhere else we visited. There were trains that crisscrossed the city and ran every few minutes to get you where you wanted when you wanted. However, the way in which you verified your ticket was much different from the ways we'd seen in the rest of Europe and back home in the US. Typically, you would have to slide your pass in a scanner in order to enter onto the train and exit. This was the way that the cities kept track of patrons and planned for the demand of the public transportation system. In Munich, though, you simply bought your ticket and kept it in your pocket. Never once did we have to show proof of purchase, a receipt, or our physical ticket to get on or off of a train. The city simply relied on the honor system and trusted that if you were utilizing the facilities that you had purchased a ticket. However, if you were asked to show your ticket by an officer of the law and you did not present your ticket, you would be slapped with a pretty hefty fine right on the spot. If you did not pay it, you could be brought to jail. This system of trust would not have gone over well in the large populated cities of Paris and London but I guess that it must be working well for Munich, otherwise it would have been amended.

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Finally, in speaking about the differences in culture for Munich I must mention their extreme national pride. The people of Germany were extremely proud of their heritage and they celebrated it with colors, clothing, flags, and their actions. Flags were flying everyone, out of windows, on flagpoles, and on the cars and shirts of citizens. Everyone was wearing the colors of the flag and some people even dressed up in awkward garb to show off their homeland. In America we hang flags on flagpoles but rarely do we wear them on our shirts or wear red white and blue garb. We have bumper stickers and such but I just felt as though the people of Munich were extraordinarily proud to be citizens of their country. Often times you'll hear people in the United States complain about the government, policies, or culture of the nation. I did not come across that in Munich but instead, I found quite the opposite. Perhaps my understanding of Munich's pride was slightly skewed though because the weekend that we were there was the weekend of a German Futbol match. We watched the match in a beer garden and whenever Germany would score, the entire crowd would erupt with emotion. The fans would leap to their feet and scream and shout, often spilling beer on each other and themselves. When Germany won the streets were filled with people waving flags and bodies everywhere were adorned with paint. Cars were honking their horns throughout the night and singing could be heard coming from bars across the city. The Germans take their Futbol very seriously and I can see why. When you think about it, Americans have a team that represents each city while countries in Europe have only one team to cheer for. Everyone roots for the same team and this provides a strong sense of fellowship among the people of the country, in this case Germany. In Chicago

you will see people divided over the Cubs vs. Sox rivalry but in Germany, everyone comes together with sports rather than being pushed apart by them.

### **Brief Statements on Seminar Points of Interest**

#### **London, United Kingdom**

1. Likes and dislikes: I thoroughly enjoyed the city of London but it was quite large. Our tour guide mentioned that if you took all the parks of London and put them together, Paris could fit inside that area. Because of this I would recommend that IBS allows for another day in London on future. All the sites were spectacular and I was able to get through most of what I really wanted to see. The highlights of the city for me were Big Ben, Trafalgar Square, and the London Eye. I also really appreciated how close our hotel was to the train station. That made travel much easier and helped me keep my bearings in terms of location.
2. Recommendations for future visits and advice for prospective students: As I said before, I believe that IBS should grant more time for the tour in London. I recommend that students take full advantage of all the sights because there are many. Use the train to get everywhere that you need to go because walking, although more immersive, will take you forever.
3. Notes about budgeting and expectations regarding costs incurred: The IBS handbook and pre-trip orientations typically suggested about 200 euros per city. I felt that for this city that budget was very realistic. I personally did not spend much on souvenirs though, so take that into

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consideration. It is all about what you want to do and if you want souvenirs then you will obviously have to budget more than 200 euros or cut spending from your activities or meals.

London, United Kingdom	1	2	3	4	5	6	7	8	9	10
Copthorne Tara	1	2	3	4	5	6	7	8	9	10
Lloyd's of London	1	2	3	4	5	6	7	8	9	10
Cadbury	1	2	3	4	5	6	7	8	9	10
Jaguar S Assembly Plant	1	2	3	4	5	6	7	8	9	10

**Paris, France**

1. Likes and dislikes: Paris was phenomenal. Not many people on my trip did it but if you enjoy mystery, and want a really bizarre and unique experience, please do yourself a favor and go to the catacombs. The Eiffel Tower is a must and the Notre Dame Cathedral is one of the most beautiful pieces of architecture that I have ever seen.

2. Recommendations for future visits and advice for prospective students: If you enjoy tasting wine, France is the place to do it. French wine was so cheap and so delicious. A bottle was typically no more than 2 or 3 euro and was more often than not, quite delicious. Sample as much wine as you can and try escargot. I hated it but at least I can say that I tried it! After all, who else do you know that can say they had escargot under the Eiffel Tower? Be that guy or girl that can leave each city with no regrets. All too often people would get stuck on the wifi at

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hotels and they'd miss out on real adventures. Savor every moment because you never know when you'll get this opportunity again.

3. Notes about budgeting and expectations regarding costs incurred: If you are planning to go to Moulin Rouge, please budget accordingly for it. It is about 200 euros. I did not choose to go because I thought that there were better things that could be done with that money.

Paris, France	1	2	3	4	5	6	7	8	9	10
Hotel Concorde Montparnasse	1	2	3	4	5	6	7	8	9	10
Hard Rock Café	1	2	3	4	5	6	7	8	9	10
NYSE Euronext	1	2	3	4	5	6	7	8	9	10
European Union with Tom Lawton	1	2	3	4	5	6	7	8	9	10

**Geneva, Switzerland/Evian, France**

1. Likes and dislikes: We were supposed to stay in Geneva but got our hotel moved to Evian instead. I thoroughly enjoyed Evian and it was a nice relaxing point for us all to take a deep breath and relax. After hustling through London and Paris, running on no more than 5 hours a night of sleep with jetlag, it was great to go down by the lake and dip your feet in the water.

Although there wasn't much to do there, I appreciated the fact that I could become more intimate with the locals than I could in Paris and France. This city was much more subdued and allowed for us to have real conversations with people who didn't always come across the hordes of tourists that flock to the major cities.

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2. Recommendations for future visits and advice for prospective students: I recommend that the IBS seminar stops here every time. The location is beautiful and as I said above, it gives students a chance to breathe and not get burnt out in the first week of travels. To students, I recommend that upon reaching Evian, you should do laundry! Get it done before you get to Nice because laundry is the last thing you will want to do there!

3. Notes about budgeting and expectations regarding costs incurred: There is a casino down the road from the hotel. If you would like to the casino then you should obviously factor it into your budget. Also, laundry is not cheap. Doing laundry was typically right about 10 euros for a medium to large sized load. It also took up lots of time and you never knew how busy the Laundromat would be. Plan your time accordingly and it won't cut too deep into your time for rest, relaxation, or sightseeing.

Geneva, Switzerland	1	2	3	4	5	6	7	8	9	10
Evian, France	1	2	3	4	5	6	7	8	9	10
Hilton at Evian	1	2	3	4	5	6	7	8	9	10
World Trade Organization	1	2	3	4	5	6	7	8	9	10

**Nice, France**

1. Likes and dislikes: Nice was gorgeous. It was a beautiful coastal city with great food, beautiful people and a lively ambiance that was unmatched anywhere we went. Staying close to

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the beach and heading into the town square was what my group did for the majority of the tour.

We also made a trip down to Monaco to experience the Monte Carlo and to see the expensive cars and luxury stores that it played host to.

2. Recommendations for future visits and advice for prospective students: I recommend that students should travel the countryside on scooters. You can rent them for a nominal fee and although I did not do it on my trip, the group that did had the time of their lives. In hindsight, although I had fun going through with my plans in Monaco, I would have loved to have scooted through the French Riviera. If only I had another day. Again, be the person with no regrets. No matter how tired you are, don't sit in your hotel and take a nap. You can sleep when you get back home or when you drive from city to city on the bus. Do not waste a moment of this precious time that you have been blessed with!

3. Notes about budgeting and expectations regarding costs incurred: The budget that was given to us held true again for Nice. There was an opportunity to buy perfumes at Fragonard but the fragrances were quite expensive. If you're looking to bring home a nice perfume for mom then budget about 40 euros for Fragonard.

Nice, France	1	2	3	4	5	6	7	8	9	10
Nice Riviera Hotel	1	2	3	4	5	6	7	8	9	10
EDHEC Business School and Lecture	1	2	3	4	5	6	7	8	9	10
Parfumeries Fragonard	1	2	3	4	5	6	7	8	9	10

**Florence, Italy**

1. Likes and dislikes: Florence was unbelievably small and nothing like I imagined it. It seemed like it was only a mile long but there was lots of stuff to do there. I loved the architecture and the points on the river were incredible to sit on. There was so much rich history brought to us by the Medici family and getting to see it all in person was such a treat. On the downside, the Italians were not very pleasant and the streets were dirty and smelled terrible.

2. Recommendations for future visits and advice for prospective students: Eat as much Stracciatella gelato as you can! It is by far the best gelato I have ever had and it was everywhere! Also, please go to the top of the Duomo. Sadly, I did not have time to fit this into my visit and I am kicking myself for not doing it. If you ever want to do something, then make it happen! Just don't go alone. I remember going out on my own for a day to sight see the way that I wanted to and I realized that it wasn't always the sights that made my visit grand. It was usually the people and the times we shared that made the experience so memorable. It really sounds cheesy but I am being sincere.

3. Notes about budgeting and expectations regarding costs incurred: There wasn't anything all too expensive in Florence. I think that the 200 euro policy here should hold up.

Florence, Italy	1	2	3	4	5	6	7	8	9	10
Croce di Malta	1	2	3	4	5	6	7	8	9	10
Eli Lilly	1	2	3	4	5	6	7	8	9	10

## **Innsbruck, Austria**

1. Likes and dislikes: Innsbruck, as I referred to it in my paper, was the happiest place in the world. Everything about it was amazing.

2. Recommendations for future visits and advice for prospective students: Go visit the Theresien Brau for great food and go on the canyoning and paragliding adventures. They are scary at first but I do not regret doing them. They were by far some of the most memorable experiences of my life and by sharing that experience with other members of the seminar, you bond with them more than you thought you ever would. After canyoning, we all felt like a family because it takes a lot of team work and support to make it all the way down the river. Also, please go to the kebab shack down the road from the hotel. It was the best kebab everybody had on the trip. The sandwich was to die for.

3. Notes about budgeting and expectations regarding costs incurred: The 200 euro budget per city is completely wrong in Innsbruck. In this city alone I must have dropped 400 euros. I did this because I signed up for canyoning and paragliding which cost nearly 100 euro each. Add that to food, beverage, souvenirs, and other sights and you have a whopping budget that would get you by in 2 other cities for 6 days! Just be ready to spend like a madman in Innsbruck and then wonder where all your money went when you get to Munich.

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Innsbruck, Austria	1	2	3	4	5	6	7	8	9	10
Hilton at Innsbruck	1	2	3	4	5	6	7	8	9	10
Innsbruck Tourist Board	1	2	3	4	5	6	7	8	9	10
Swarovski	1	2	3	4	5	6	7	8	9	10

**Munich, Germany**

1. Likes and dislikes: I didn't really enjoy too much of Munich unless I was just wandering around aimlessly. The tourist attractions such as the Glockenspiel and Dachau did not interest me all that much but simply exploring the city without an end in mind was nice. One thing I really did not enjoy was that the hotel did not believe in air conditioning, or at least it seemed that way. They would not turn on the cool air for anything and even at night we were all sweating in our rooms. At that point there was really no point in taking a shower anymore.

2. Recommendations for future visits and advice for prospective students: Wander aimlessly! I believe that Munich is a place that you can get by without having a plan. In London, you must map every hour out to take full advantage of the city. This wasn't so in Munich. Simply walking around the city and taking in the sights and sounds was more than enough for me to enjoy. While you're out and about, go to beer halls and beer gardens. They are everywhere and they are each unique and spectacular in their own right. Augustiner had amazing brews and a relaxed atmosphere outside in a park. The Hofbrauhaus was certainly an experience and I highly recommend that you go visit. Try lots of beer as well. German beer is

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much more flavorful than American beer and it will make you wonder how you've managed to drink Miller Lite for as long as you have.

3. Notes about budgeting and expectations regarding costs incurred: The budget of 200 euros was adequate for the city and I did not encounter anything that cost more than expected.

Munich, Germany	1	2	3	4	5	6	7	8	9	10
Regent Hotel	1	2	3	4	5	6	7	8	9	10
GE Global Research	1	2	3	4	5	6	7	8	9	10
BMW Welt	1	2	3	4	5	6	7	8	9	10