



FUYAO GLASS: GLOBAL STRATEGY FOR U.S. COUNTRY RISK

<u>Fuyao Glass</u> Industry Group, a Chinese manufacturer of automotive glass, has increased its market share by opening companies in the United States differently; this shows the company's strategy of capturing the world market in a changing industry. This paper uses Fuyao Glass as the focal organization to assess how it operates amidst the country risk of the United States to present a comprehensive analysis of global business structures and management.

STRATEGIC EXPANSION

In the current market, the degree of internationalization of Fuyao Glass can be characterized as average: however, the company's main production facility in the U. S. market is located in Moraine, Ohio. These strategic choices were due to the opportunities of getting a piece of the North American automotive market, as well as, avoid threats such as high tariffs and transportation costs. The theoretical framework of the case focuses on how this company of Fuyao Glass conquer the challenges through such detailed strategies.

The following are lessons which Fuyao Glass's experience provide to the general multinational companies that are planning to venture into high risk markets. Some key strategies that can be used successfully are decentralisation of operations, dealing with local parties and being close to them, and being ready for African regulatory shifts. Conclusively, the case demonstrates that firms ought to undertake effective risk analysis and impeccable planning strategies especially when venturing globally.

Thus, the Fuyao Glass case study is a clear illustration of how key Chinese multinational can overcome the U. S. country risk through apt expansion and proper risk management. Thus, studying Fuyao's experience, other companies can avoid the same difficulties in their international business.

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