**EVENT SITUATION**

You are to assume the role of buyer for a popular trophy/business gift company (Artifacts). The owner for Artifacts (judge) has called upon you to explain the advantages and disadvantages of conducting international business.

Artifacts is located in a city with 15 high schools, 1 major university, and 3 colleges. Your trophy company sells plaques, trophies, party favors, key rings, and a wide array of other business favors to school organizations, sororities, fraternities, businesses, athletics, and community service events. Many of these organizations have limited budgets.

You buy most of your trophies, key rings, and other merchandise from a local manufacturer due to the convenience of location. Recently you discover that you can purchase the same merchandise from China for 30% of your current price. Conducting business in China may require you to periodically travel to the factories located in that country to make sure that your expectations about quality of merchandise are met. The owner for Artifacts (judge) has always been loyal to purchasing merchandise made in America. You believe that Artifacts should conduct business in China to remain competitive in the trophy/gift industry. You must explain the increased profit earned on merchandise that costs much less. Also Artifacts can charge lower prices to schools, nonprofit organizations, and businesses that have tight budgets. The owner (judge) must be convinced that the advantages outweigh the disadvantages of doing business in China.

You will meet the Artifacts’ owner (judge) in his/her office to explain your strategy for taking part in international business.