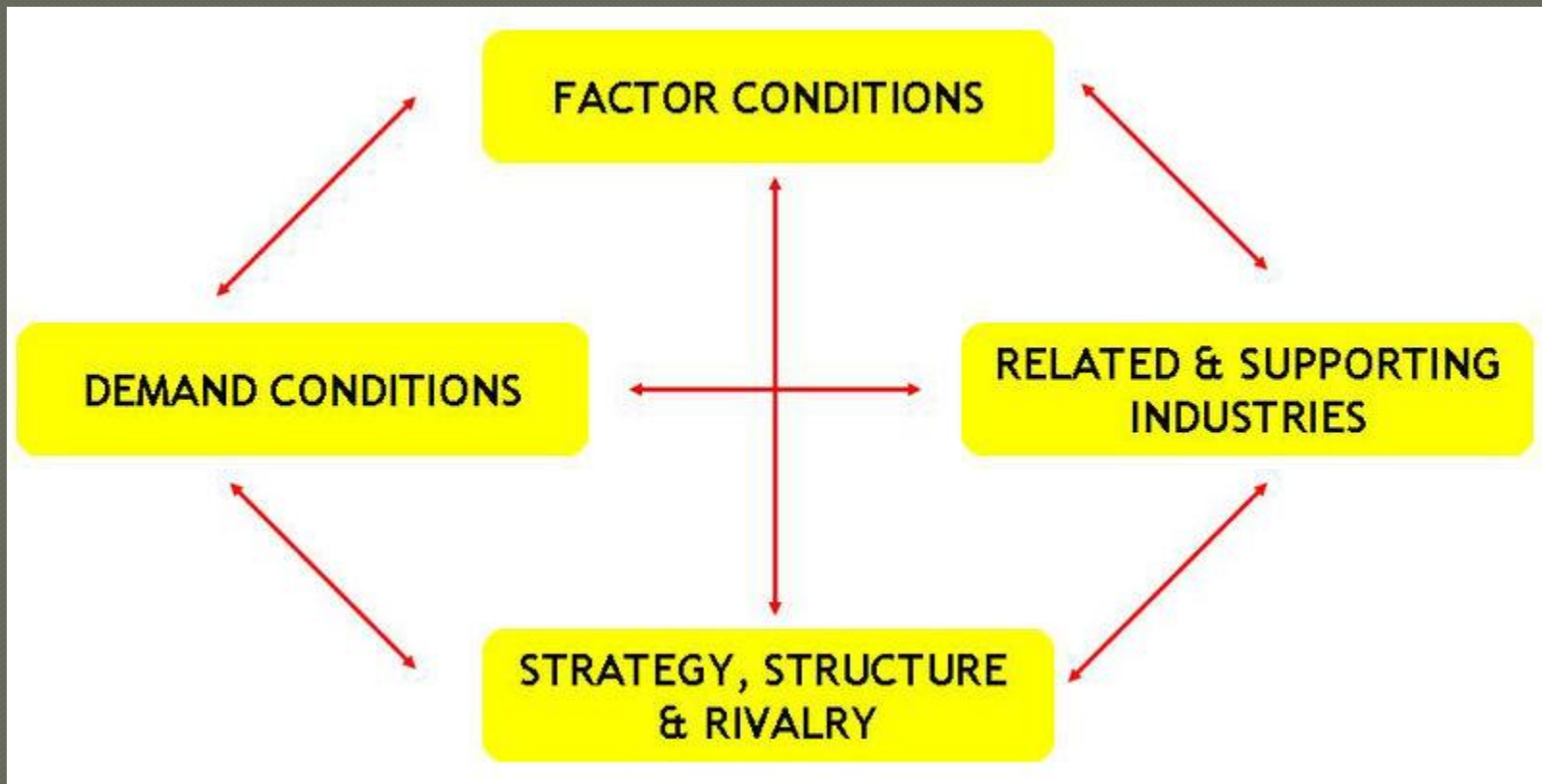


How Firms Succeed: Example of Aerospace

Anil Hira
Tech Policy
SFU
Fall 2011

Porter's National Diamond



What determines each factor?; role of government?

Porter's Industry Diamond

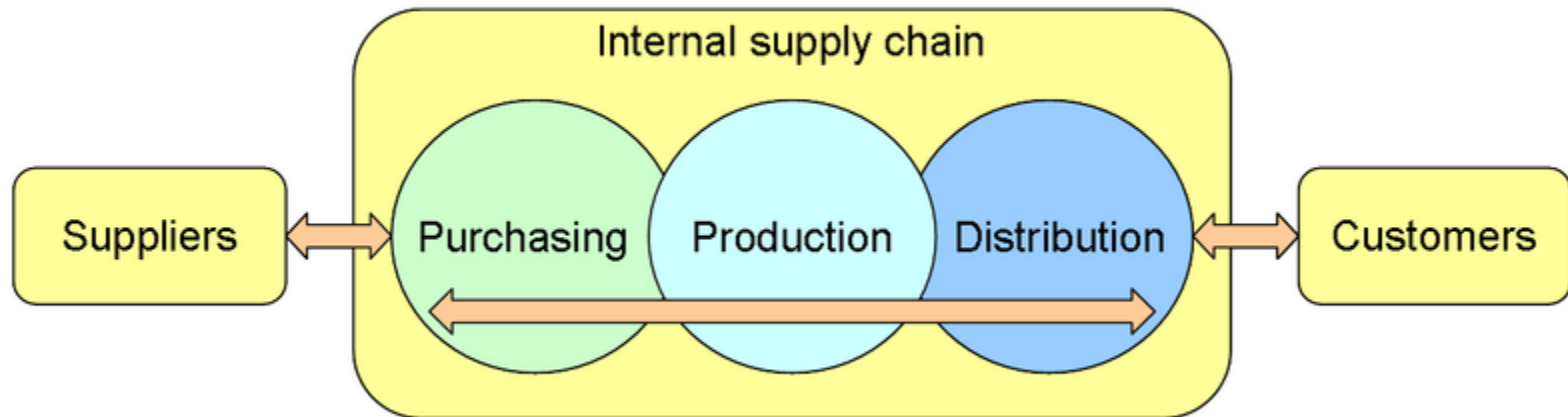


Key concepts: barriers to entry, market power

2 Basic Paradigms for Firm Competitiveness

- ① 1. Environment
- ① 2. Resources

Company Supply Chains



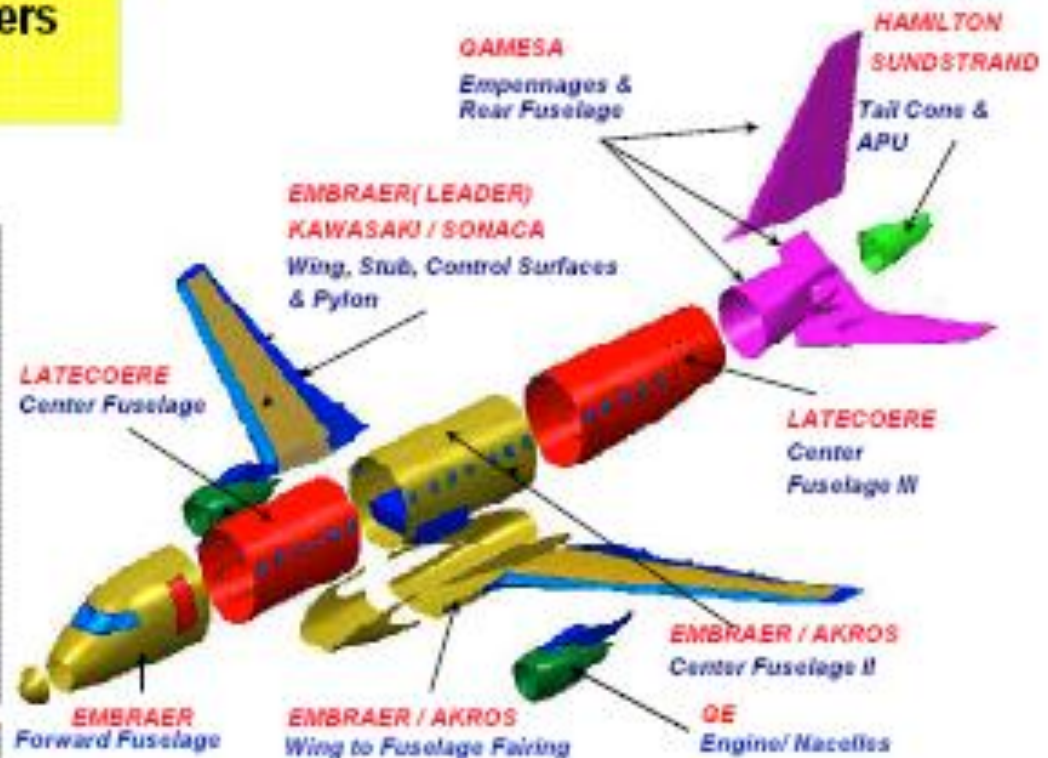
Supply Strategy



16 Risksharing Partners
22 Suppliers

System Partners:

| | |
|--------------------------------|---|
| HAMILTON SUNDSTRAND | <i>Air Management</i> |
| PARKER | <i>Electrical System Hydraulics Flight Controls Fuel System</i> |
| C & D | <i>Interiors</i> |
| LIEBHERR | <i>Landing Gear</i> |
| HONEYWELL | <i>Avionics</i> |



Exercise

- Using the aircraft building industry you read about, apply each of the frameworks we have reviewed.
 - Environment vs resource views of business advantage
 - Porter's 5 forces for industries
 - Porter's national diamond
 - Global value chain
- What are the implications of each analysis for who produces what and where in this industry?