

ANDREW ADAMS, KEN ERWIN, MOHIT SUDHIR,
ROGER NEAL, AND SREE KUNDURTHI

DOREL INDUSTRIES REPORT

CORPORATE ANALYSIS



BUS-J501
Dr. Todd Saxton
February 23, 2014

SYNOPSIS

Dorel Industries was established in 1962, and consists of 3 major divisions (Juvenile, Home Furnishings, and Recreational/Leisure). It owns a wide array of strong brands, including Cosco, Schwinn, Ironhorse, and Mongoose. While Dorel is a strong player in the bicycle industry, it recently announced (In January of this year) that it would be shuttering its bicycle assembly facilities in the United States and moving to Asia in order to become more competitive. Annual sales are roughly \$2.6 billion, and with a restructuring of the Recreational/Leisure unit, Dorel expects to save at least \$6 million annually. Dorel's primary competitors include Kid Brands, Inc., Trek Bicycle Corporation, and Evenflo Company, Inc. Employs 6,300 people in facilities located in twenty-four countries worldwide.



STRATEGIC ISSUES

- Competitors have already outsourced to Asia
- Fourth quarter earnings expected to be much lower than levels last year due to reduced revenue(not sure this a strategic issue as much as it's a "cause/effect" having having poor strategy)
- Currently have a unrelated portfolio amongst business units
- Cash cow (Home Furnishings) is losing revenue YOY
- Unfavorable foreign exchange rates reducing net profits(Same for this)
- The board believes the company's market price is currently undervalued
- One more Item

OPTIONS

1. Focus on outsourcing and cutting costs, compete on price.
2. Continue global expansion, specifically on elevating the recreational / bicycle unit by acquiring popular brands in each region.
3. Refocus on premium products, drop cheap brands (Pacific Cycle etc.) that conflict with company identity and differentiate on quality.

INTRODUCTION TO REPORT

This report consists of five major sections. Initially a brief history of Dorel Industries will be provided, followed secondly by an analysis of its competitive and corporate strategies. Third, is a breakdown financial analysis of Dorel's financials, both as a whole and by individual units. Using this data, the report will then delve into the company's current issues and possible solutions while incorporating various tools (BCG, Five Tests analysis, etc.). The final segment of the report will include our recommendations for the company, concluding with suggested initiatives to improve Dorel's competitive and corporate strategies.

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In 1962, Leo Schwartz founded "Dorel Co. Ltd" in Quebec, and began producing juvenile products. It was not until 1962 that "Dorel Co. LTD" became "Dorel Industries", following a merger with Ridgewood Industries (a furniture manufacturing company). Since then, the company has continued to grow primarily through acquisitions, eventually branching out to the recreational and leisure markets by acquiring Schwinn and Cannondale

1.1 HISTORY OF DOREL INDUSTRIES

The ArsClassica package changes some typographical features of the ClassicThesis style, designed by André Miede [`miede:classicthesis`; `pantieri:classicthesis`]. It allows to reproduce the layout of the \LaTeX guide *The Art of Writing with \LaTeX* [`pantieri:art`] (in Italian) and of this document. The hint for this original reworking of ClassicThesis was given to me by Daniel Gottschlag.

1.2 USE OF THE PACKAGE

This package is shaped to be executed on a *complete* installation of MiK \TeX or T \E X Live, and uses freely available fonts. It works with the KOMA-Script classes (`scrreprt`, `scrbook` and `scartcl`) and requires the `classicthesis` package, *updated to the last version available (the 4.0)*. ArsClassica must be loaded *after* `classicthesis`:

```
\documentclass[...]{scrreprt} % or scrbook or scartcl

\usepackage[...]{classicthesis}
\usepackage{arsclassica}

\begin{document}
...
\end{document}
```

For example, this document has been produced with the following code:

```
\documentclass[10pt,a4paper,twoside,openright,titlepage,fleqn,%
             headinclude,footinclude,BCOR5mm,%
             numbers=noenddot,cleardoublepage=empty,%
             tablecaptionabove]{scrreprt}

\usepackage{...}
\usepackage{subfig}
\usepackage[eulerchapternumbers,subfig,beramono,%
             eulermath,pdfspacing]{classicthesis}
\usepackage{arsclassica}

\begin{document}
...
```

```
\end{document}
```

It is recommended, but not compulsory, to use the options `beramono`, `eulerchapternumbers` and `eulermath` together with `ArsClassica`.

1.3 THE STYLE

The typographical style achieved with `ArsClassica` differs from `ClassicThesis` in the following points:

- use of Iwona font, by Janusz M. Nowacki, for the titles of the sectioning units of the document (chapters, sections, subsections, sub-subsections, paragraphs and subparagraphs), for the labels of description lists, for the headlines and the label of the captions (`ClassicThesis` does not use any sans serif font);
- customized chapter numbers;
- semi-transparent headlines; the headlines are separated from the page number by a small rule;
- captions with labels in boldface (`ClassicThesis` does not use any boldface font);
- itemize lists with semi-transparent bullets.

The `ArsClassica` package is designed to provide a ready-to-use typographical style: therefore it has no loading option and it is *not* configurable or customizable in any way. If you change the previous settings, you will risk to destroy the balance of the style, so it is *highly recommended* to keep them unchanged.

One of the principles of \LaTeX is that it allows the author to take no interest in the typographical questions, permitting him to focus only the structure and the contents of the document. This fact should always be taken in consideration: using a style written by others, the user accepts all the typographical settings chosen for him by the author of the style, and he is not forced to study typography to fix the layout of his publications. This is the case of `ArsClassica` too: if you change its settings, you will deny this philosophy and, consequently, you must study (a lot of) typography to achieve acceptable results.

The style achieved with `ArsClassica` is *not* therefore configurable or customizable. The typographical style is something of very personal: if you like the package and find attractive the idea to take no interest in the problem of the style definition, then you will use `ArsClassica` with satisfaction; otherwise, if you have different needs or you are not satisfied with the layout of the package, then you should try other classes or packages, even building your own style.

1.4 NEW COMMANDS

The package offers the `\ctLaTeX`, `\ctLaTeXe` and `\ctTeX` commands, which allow to reproduce respectively the \LaTeX , $\text{\LaTeX}_{2\epsilon}$ and \TeX logos correctly written in Iwona.



(a) Asia personas duo.



(b) Pan ma signo.



(c) Methodicamente o uno.



(d) Titulo debitas.

Figure 1: Tu duo titulo debitas latente.

1.5 EXAMPLES

Note: The content of this chapter is just some dummy text. It is not a real language.

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