

Joshua Dahn, Founder and Chief Chip Officer, builds Joshō Nachō into a successful young business. With a creative marketing campaign and extraordinary taste, Joshō Nachō has attracted the attention of Frito-Lay, the snack giant. Controlling 40% of the "savory snack" market in the United States and 30% of the non-US market, Frito-Lay operates eight subsidiaries that each generate over \$1 billion in worldwide sales: Doritos, Fritos, Cheetos, Tostitos, Lay's, Ruffles, Rold Gold, and Walkers.

Why would Frito-Lay care about a minnow like Joshō Nachō? Project VESPA, a one-year market-driven blueprint to eliminate competition.

PROJECT







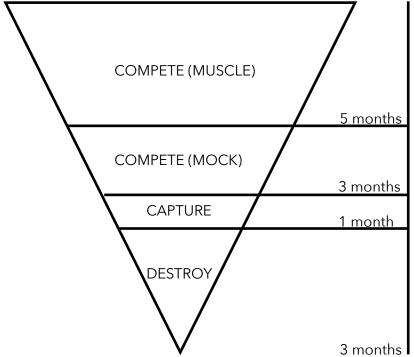


To preserve Frito-Lay's market share, strategic growth, and perpetual success, the company will identify potential competitive threats and take direct action to acquire or compromise their operations.

TARGETS

Any company satisfying at least three of the following criteria:

- A rate of growth exceeding comparable Frito-Lay products by 500%
- Benchmark store sales doubling over consecutive three-month periods
- Significant social media traction relative to revenue
- Successful innovation in product quality, cost, and/or sourcing
- Successful innovation in marketing, packaging, and/or design



Offer exclusive deals, pay for shelf placement, pay for deshelving, reduce prices, and find ways to infiltrate the supply chain and rhythm of the

Identify the successful "ingredients" of the competitor and launch a direct rival that emulates the style, packaging, and "feel" of the competition.

Make a predatory offer to acquire the competitor. Upon capture, decide to:

- 1. Cease all operations, retain top talent, and apply lessons learned
- 2. Allow the brand to operate as a wholly-owned subsidiary

Flood the market with an arsenal of "boutique" brands to confuse the consumer. Poach top talent with lucrative salaries and 3 months benefits. If necessary, buy out the competitor's suppliers, facilities, and transportation. Use all political, legal, marketing, and financial muscle to destroy the hive.

1. Does Project VESPA makes sense for Frito-Lay?

please answer the following in paragraph form:

In a well-reasoned analysis,

- 2. Decide if the actions of Frito-Lay through Project VESPA should be legally permissible in the United States.
- 3. What law(s), if any, should restrict actions like Project VESPA for giants in any industry?
- 4. What rights, if any, should be granted to a minnow like Joshō Nachō?