

* Use Headings $\frac{7}{10} + \frac{9}{10} + \frac{0}{10} + \frac{6.5}{10} + \frac{1}{10} = 50$

The country of New Zealand is growing steadily in both their economy and population. It is a country that was also found to be in the top five of ice cream consumption per capita in the world. This has led us to believe that a healthier alternative is needed within the nation. This can be found in frozen yogurt which is a growing product in the United States. Sales of "fro-yo" grew 23% between the years of 2007 and 2013. Pinkberry is an industry leader thus we believe they are ready to move to New Zealand. Since New Zealand is a growing country with an extremely strong economy, we propose that Pinkberry create a new store in the foreign nation.

Due to the relatively lenient culture, New Zealand has a free market economic system. Which allows the country to be ranked 3rd in the list of popular international business countries. Also it has an economic freedom score of 82. Which shows the easiness and openness to businesses. Largely due to the country's location, New Zealand mainly focuses on the export of dairy and mineral resources. Lately New Zealand has increased its production and that lead to the increase in the export rate. The action resulted in the overall increase of Gross Domestic Product of 3.5%. Considering the average rate of increase of GDP is only 1.4%, New Zealand has a noticeable growth. In addition, New Zealand is a highly involved with international trade organizations including: Australia-New Zealand-United States Organization, Trans-Pacific economics trade partnership, Gulf corporation council, and the United States chamber of commerce. These multinational trade organizations allow New Zealand to have beneficial relationships with different businesses and countries.

What List?

New Zealand, along with other developed countries, has a very stable government system. Its government system is a parliamentary democracy under a constitutional monarchy. In addition, the country's government has multiple branches similar to the USA, which makes New Zealand a more reliable country to do business with. The legislative branch is the House of Representative, the executive branch is Queen Elizabeth II, and the judicial branch is the Supreme court. The government of New Zealand strongly believes in the idea of laissez faire, the idea promoted by Adam Smith that believe in free market and government deregulation. This is due to the country's low corruption rate and stable domestic businesses.

New Zealand is a rather small nation, yet it has many similarities to the USA in both culture and trade. Similar to America, the most common language spoken is English with about ninety percent of the population being fluent. This is a massive help to our proposal since we will avoid ^{many} any language or communication barrier that one would face when working with other nations. New Zealand is largely urban as seen by nearly ninety percent of the 4,474,549 people living in major cities. This allows our store(s) to be exposed to more potential customers.

Another key cultural fact is the importance of agriculture. The country's main export is dairy products which gives us the opportunity to lower cost by simply using domestic goods. This will help our company grow as well as the farmers of New Zealand. This also allows us to bypass possible trade issues that we may have with foreign nation. However, most tariffs have been removed from our host nation in order to promote trade. New Zealand is trade dependent

Move TO A#3 of B#2

Avoid Distribution IF NOT

Taxation Issues

(60% of the economy is a result of imports/exports) which works into our favor. A low number of trade regulations allows us to move products, goods, and resources with ease.

New Zealand is a growing market, and it looks to continue its steady increase. The GDP of the nation has risen by at least three percent each of the last two years. This has been coupled with a relatively unemployment rate of 5.1%. The fact that the economy is strong means that there will be more people willing to spend within the nation. ~~The vast majority of the population will be willing to spend while the economy is doing well.~~ Another key economic factor is the inflation rate ~~which is also very sturdy~~ at only a miniscule 0.3%. All of this data relays the strength of the New Zealand Economy which has been noticed by foreigners across the globe. New Zealand's foreign direct investment of 87.6 billion dollars ranks forty-ninth in the world. This is much higher than most nations of this size. As stated above, Pinkberry will mostly use domestic resources which is a positive since it will not be heavily affected by the potential tariff or trade restrictions. With decreasing tariffs on imports and a brute of an economy, New Zealand looks to be a great location to start a new business.

→ Subjective
Fact

Disposable
v.

Discretionary

Income

↓
Word
Choice

Now ←
To
Part II
A #1

What Paperwork Is Needed
to Start A Business?

Rubric Grading Scale for Each Section

Group: Leo & Luana

IBP: New Zealand

Section II, Part A A. Economic, political and legal analysis of the trading country	Examples of Economic Impactors:		
<p>Sources: CIA World Factbook: Economy The Global Economy Heritage Foundation Doing Business In: http://www.doingbusiness.org/ Export.gov http://export.gov/worldwide_us/index.asp</p>	<p>GDP Labor Force Human Development Public Debt Taxes & Other Revenue Exports Imports Industrial Production Growth Rate (for manufacturing businesses)</p>	<p>GDP/Per Capita Labor Force by Occupation Population below poverty line Inflation Rate Exchange Rates Exports – Commodities Imports – Commodities</p>	<p>Agriculture Products Unemployment Rate Budget Debt- External Export – Partners Import – Partners Industries that are prevalent in your IBP Country Household income or consumption by % share Distribution of Family Income Market Value of Publicly Traded Stocks Commercial Bank Primary Lending Rate</p>
<p><u>Free Market</u> Economic System</p>	<p>A Grade (Formal: 13.5 - 15 pts)</p> <ul style="list-style-type: none"> Type of Economic System Used in IBP Country is Stated An understanding of what that type of economic system means is displayed Advantages / disadvantages of operating in this type of economic system are given 	<p>B/C Grade (Formal: 10.5 – 13.49 pts)</p> <ul style="list-style-type: none"> Type of economic system is stated but not explained. Limited amount of advantages & disadvantages given 	<p>D/F Point Grade (Formal: Below 10.5 pts)</p> <ul style="list-style-type: none"> Type of economic system is copied from internet with no understanding of what it means given No advantages / disadvantages of system provided
<p><u>MUSASA</u> <u>Exports</u> <u>– 3rd Best B12</u> <u>– Freedom Scale B2</u> <u>Economic Impactors</u> <u>Dairy, Mineral</u> <u>GDP 3.5?</u></p>	<p>Multiple Economic Impactors are stated with supporting evidence as to why those impactors matter given. GDP/capita is included Comparisons to IBP Country & USA are given so that reader understands context better.</p>	<ul style="list-style-type: none"> Only a couple Economic Impactors are provided Economic impactors provided are not explained in depth & limited evidence relating to why they are important to your IBP country is given 	<ul style="list-style-type: none"> Minimal to no economic impactors are provided. Paper does not explain economic factors that affect a foreign company expanding to their IBP market Facts are given to fill space with no understanding of their impact
<p>Level of Foreign Direct Investment</p>	<ul style="list-style-type: none"> Level of FDI is given (Market Overview: Export.gov) Stock of FDI at home & abroad is stated & explained Comparison to the USA is given Reasons as to why your FDI Level are important are given/explained Economic Globalization 	<ul style="list-style-type: none"> FDI – Home is stated Limited explanation is given as to what that level means Paper doesn't make comparisons between IBP country & other major markets 	<ul style="list-style-type: none"> FDI is either unstated, inaccurate, or unexplained. Student displays minimal to no understanding of FDI concept.
<p>Total Grade</p>	<p>Rough Draft Turned in on Time</p>	<p>Due Date: <u>October 25, 2016</u></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/> Turned in late on: _____ /10 pts</p> <p><i>*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i></p>

4.2 Key Terms / Concepts from Textbook:

- You are responsible for taking notes on the four economic systems stated (Market, Mixed, Planned, & Traditional)
- Key Terms: Political Economy, Concept of Economic Integration, Customs Union, Common Market, FTA
- Need to know Free Trade Agreements: NAFTA (Pros/Cons), COMESA, CACM, ASEAN, CARICOM, CAFTA, FTAA (Pros / Cons)

Section II Part A

2. Describe the trading country's governmental structure and stability, how the government controls trade and private business

Sources:

- CIA World Factbook: Government
- The Global Economy (GE) <http://www.theglobaleconomy.com/>
- The Heritage Foundation (HF) <http://www.heritage.org/index/>

	<p>A Grade (Formal: 18 – 20 pts)</p>	<p>B/C Grade (Formal: 14 – 17.9 pts)</p>	<p>D/F Point Grade (Formal: Below 14 pts)</p>
<p><i>Parliamentary Democracy</i> Government Structure <i>Constitutional Monarchy</i></p>	<ul style="list-style-type: none"> Type of Government that controls country is stated & explained Example: The USA is a Federal Republic with a strong Democratic tradition. Political Pressure Groups & Leaders Who is the head of your IBP government Elections / Appointment Process is explained 	<ul style="list-style-type: none"> Type of Government that controls country is stated but not explained Current political regime is not listed No background information into how your IBP country structures its political process is explained. 	<ul style="list-style-type: none"> Type of political system is only listed, no detail No current or background information relating to the current type of government is given
<p><i>Very Stable</i> <i>Low Corruption</i> Government Stability <i>Stable Domestic</i></p>	<ul style="list-style-type: none"> Example: Presidents in the United States are elected to 4 year terms with a max of 8 years in which they can serve. An overview of the last 50 years is given. Any major changes to how that country operates (Russia switching from Communist to Level of corruption is documented / explained Level of Political Risk is given & a comparison to previous years; as well as, other countries is documented Level of Political Stability (GE) 	<ul style="list-style-type: none"> Government stability is hinted at but not explained. Example would be stating that presidents are elected every 4 years in the USA but no timeframe for how long that system has existed is given. No examples or acknowledgement of recent history is provided Corruption stats are given but no supporting evidence or world rankings given to add clarity Level of Political risk is only stated 	<ul style="list-style-type: none"> Government stability is not provided No examples of former political process or systems are given Level of Corruption is either not provided or incorrect No level of political risk is given
<p>Government control over trade</p>	<ul style="list-style-type: none"> International organization participation (CIA) Political Globalization (GE) Level of government involvement relating to free trade is given(HF) Trade Balance (Export) 	<ul style="list-style-type: none"> How active & supportive the government is in regards to free trade is stated but no evidence is provided to prove statement try Level of globalization is not mentioned or explained 	<ul style="list-style-type: none"> No stats or evidence is given explaining how controlling the government is in regards to how that country conducts trade Paper displays a very limited or inconclusive portrayal of government when it comes to its stance on trade
<p>Governments control over private business</p>	<ul style="list-style-type: none"> Level of Business Freedom (Taxes & Process to start a business) From reading this section the viewer has a clear understanding of how your IBP country views privatization of business. Research State Owned Enterprise for ideas. Ex: Are privately owned industries, companies, corporations encouraged or are they state owned. 	<ul style="list-style-type: none"> Level of Business Freedom is not discussed A vague understanding of how government regulates private business is given with little understanding of how it impacts their product/company specifically 	<ul style="list-style-type: none"> Paper only briefly discusses governments role in business Paper lacks statistical evidence & analysis No supportive evidence is given to prove how that government regulates private business.
<p>Total Grade</p>	<p>Due Date: <u>October 25, 2016</u> Yes No</p>	<p>Turned in late on: _____</p>	<p>/10 pts</p>
<p>Rough Draft Turned in on Time</p>	<p><i>*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i></p>		

- 4.3 Key Concepts from book: Be able to compare & contrast the four main types of political systems: Democracy, Republic One-Party States, & Theocracy.
- Be able to compare & contrast Statutory & Case Law. Understand the importance of Contract Law when conducting business overseas.
 - Political Systems, Political Risk, Political Economic Movement, Corruption & Which Countries have high/low levels of it, Sustainability, & Kyoto Protocol

Section II Part A

3. Describe laws and/or governmental agencies that affect your business/product/service [i.e., labor laws, trade laws (U.S.A. and/or Canada and foreign)]

Sources: http://www.heritage.org/index/ List of FTA's Asia: https://aric.adb.org/fta-country USA: https://ustr.gov/trade-agreements/free-trade-agreements Agencies: https://en.wikipedia.org/wiki/State-owned_enterprise	A Grade (Formal: 13.5 – 15 pts)	B/C Grade (Formal: 10.5 - 13.49)	D/F Point Grade (Formal: Below 10.5)
Laws &/or Govt. Agencies that Impact your product	<ul style="list-style-type: none"> • Paper provides an overview of agencies that impact a company / product in their IBP Country. At least two agencies are referenced. Example: Federal Trade Commission in the USA 	<ul style="list-style-type: none"> • Paper provides a very limited scope of agencies that impact a product traveling overseas • Only agencies are mentioned with no real detail has to how they operate given. 	<ul style="list-style-type: none"> • No government agencies impacting your IBP country are stated • An overview of laws that limit or restrict businesses in your IBP country are not provided
Labor Laws	<ul style="list-style-type: none"> • Labor Freedom (Heritage & Global) • Regulatory Efficiency (Heritage) 	<ul style="list-style-type: none"> • Labor laws that impact the workforce are stated but not explained. A vague understanding of how that law impacts a business is provided. 	<ul style="list-style-type: none"> • Labor laws are listed but only minimally explained or not listed at all
Trade Laws	<ul style="list-style-type: none"> • Trade Freedom: Actual score, world ranking, & Comparison to the United States • Open Market Description (Heritage) • Free Trade Agreements (ABD) 	<ul style="list-style-type: none"> • Only trade agreements are listed. • Limited understanding of how trade laws impact imports & exports 	<ul style="list-style-type: none"> • No trade laws or agreements are referenced • Paper does not provide a basic understanding of how trade impacts your IBP Proposition
Total Grade			
Rough Draft Turned in on Time	Due Date: <u>October 25, 2016</u> Yes	No Turned in late on: _____	_____/10 pts
	<i>*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i>		

Key Terms from 4.1

- Compare & Contrast Developed Countries (First World), Newly Industrialized Countries (Second World), & Developing Countries (Third World)
- Income Distribution Terms & Concepts: Lorenz Curve, Line of Absolute Equality, Line of Absolute Inequality, & Education (2 things education suggests)
- Population Concepts: Population Pyramid, Social Class, & Class Mobility

Source(s): CIA World Factbook: People & Mobility Section

Section II Part B: Trade area and cultural analysis

1. Geographic and demographic information, important customs and traditions, other pertinent cultural information, competitive advantages and disadvantages of the proposed product and/or service

	A Grade (Formal: 13.5 – 15 pts)	B/C Grade (Formal: 10.5 - 13.49)	D/F Point Grade (Formal: Below 10.5)
<p><i>Agribusiness</i> Geographic Information</p> <p><i>Largely URBAN</i></p>	<ul style="list-style-type: none"> Climate, Terrain, Natural Resources, Natural Hazards that may affect your company, & environment. Information relating to transportation of goods: airport, rail port, & trucking stated & explained 	<ul style="list-style-type: none"> Factors associated with geography are listed but their value is not explained Limited to No discussion of how transportation is impacted given 	<ul style="list-style-type: none"> Geographical information is limited with factors that have no real value to your IBP country stated
<p>Demographic Information</p> <p><i>SPEAK English</i></p>	<ul style="list-style-type: none"> Population pyramid is broken down so that the most largely populated groups are identified & targeted (Gender/Age) Median Age Infant Mortality Rate Birth Rate Population growth rate Ethnic groups with corresponding %'s (race) Education Attainment (Education) Social Class with average median income % living below the poverty line 	<ul style="list-style-type: none"> Only the largest population groups are identified No method of distinction between gender groups Factors such as median age & birth rate are not provided Growth rate of population is stated as a statistic but its relevance is not explained Levels of income are either not provided or only hinted at Levels of education are not clear 	<ul style="list-style-type: none"> Limited discussion of population factors given. Example: Reader may see a picture of a population pyramid with no explanation of that pyramid given Factors such as income, age, & education levels are missing or given in estimates No breakdown of gender differentiated given
<p>Important Customs & Traditions</p> <p><i>Support Dairy</i></p>	<ul style="list-style-type: none"> Communication: Verbal & Nonverbal Gift Giving v. Bribery Fashion / Dress Manners, Attitudes, Values Meeting basics / Negotiation Norms Religion 	<ul style="list-style-type: none"> Some cultural traditions are given but not enough to provide an in-depth understanding of how that country functions. No customs / traditions are mentioned that related directly to the workplace Breakdown of religion is given but little to no explanation is given 	<ul style="list-style-type: none"> Very little reference to customs & traditions is provided The overall attitude & values of the country are either limited in scope or missing altogether Religion is only mentioned as a factor but not explained
<p>Pertinent Cultural Information</p> <p><i>Business Trade Issues</i></p> <p>Disadvantages & Advantages</p>	<ul style="list-style-type: none"> Geert Hofstede's Model High or Low Context Culture 	<ul style="list-style-type: none"> Hofstede's model is given in picture format with no explanation provided as to what it means 	<ul style="list-style-type: none"> Limited to no added information given relating to your IBP country's culture
<p>Total Grade</p>	<ul style="list-style-type: none"> Advantages &/or disadvantages your company will encounter are clearly stated. With supporting evidence given Examples of Advantages: American Made Brand, Lower Costs, Fulfills market need Examples of Disadvantages: Added costs, transportation delays, government influence etc.. 	<ul style="list-style-type: none"> Advantages &/or disadvantages your company will encounter are clearly stated. Limited supportive evidence provided 	<ul style="list-style-type: none"> Competitive advantages & disadvantages are hinted at but not clearly stated as such. No evidence or statistical data is given explaining advantages that exist.

Rough Draft Turned in on Time Due Date: October 25, 2016 Yes No Turned in late on: _____ /10 pts

**Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.*

Section II Part B: Trade area and cultural analysis

2. Analysis of the potential location—importance and requirements of each trade document required by the U.S.A. and/or Canada and the country of choice (Export & Import Documentation (GEI))

<p>Helpful Sites: http://www.theglobaleconomy.com/ (Other Indicators Sections)</p>	<p>A Grade (Formal: 13.5 – 15 pts)</p>	<p>B/C Grade (Formal: 10.5 - 13.49)</p>	<p>D/F Point Grade (Formal: Below 10.5)</p>
<p>Analysis of the Potential Location: http://www.doingbusiness.org/rankings</p> <p>Doing Business in IBP Name Example: Germany: Country Commercial Guide http://www.export.gov/ccg/index.asp</p> <p><i>GDP - 3% Increase</i></p>	<ul style="list-style-type: none"> The selection of your IBP country is proven effective based on statements made in this section Examples of information that could be presented in this section include: Country is geographically in a good region for transportation (airport or seaport nearby), climate assists with need/production of product, there is an adequate level of capable employees available, etc.. <p>Trade between your IBP country and the United States is easy & encouraged</p> <p>Paperwork required for trade is minimal or easy to complete.</p> <p style="text-align: center;">D</p>	<ul style="list-style-type: none"> The selection of your IBP country is proven effective Factors associated with the potential of your IBP Country's location are stated and explained but only 1 or 2 reasons are given to support. 	<ul style="list-style-type: none"> The selection of your IBP country seems viable but a clear rationale for how the actual location of your country is beneficial is not given. Supporting evidence of location selection is minimal to none.
<p>Required Trade Documentation between IBP Country & United States</p> <p>Common Trade Documents: http://www.export.gov/logistics/eg_main_018121.asp Bill of Lading (B/L), Airway Bill (AWB), Certificate of Origin, Certificate of Content, Letter of Credit (LC), & Insurance Policy Certificate</p> <p>American Free Trade Agreements: http://www.export.gov/FTA/index.asp</p>	<ul style="list-style-type: none"> Specific trade documents between your IBP country and the United States are referenced if applicable Whatever paperwork a company would need to transport items from the United States to your IBP country are given & explained. 	<ul style="list-style-type: none"> Only 1 or 2 examples of trade documents are given and purpose of such document is explained. Paper does a good job explaining the form needed, why it is needed, and how it is used; however, it only does that for 1 or 2 forms of documentation. 	<ul style="list-style-type: none"> No mention of trade documentation or a very generic attempt at trade documentation is presented. Example would be paper simply states a certificate of origin and bill of lading would be required. <p style="text-align: center;">A</p>
<p>Rough Draft Turned in on Time</p>	<p>Total Grade</p> <p>Due Date: <u>October 25, 2016</u> Yes No Turned in late on: _____ /10 pts</p> <p><i>*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i></p>		

Comments: