NYU Stern School of Business & University College Dublin (UCD), Smurfit School of Business

Doing Business in Ireland
B86.3112.0A

Dublin, Ireland
March 2010

Dates
- Tuesday, March 2, 2010 (5:00-5:45 p.m.)
  - Mandatory Pre-Departure Class Session in NYC
- Sunday, March 14 – Saturday, March 20, 2010
  - 7-day program in Ireland, including 5 days of academic programming

Course Description
In recent years Ireland has received rave reviews for the dynamism of its economy ratcheting up high annual GDP growth rates, with GDP per capita second only to Luxembourg’s in the EU. Several years of double-digit GDP growth in the mid / late 1990s led to comparisons with the tiger economies of East Asia, and accordingly the so-called ‘Celtic Tiger’ was born.

Despite a post-9/11 global economic slowdown, Irish GDP annual growth has averaged roughly 5 percent yearly since 2004. Ireland is a highly globalized economy, ranked number 4 in the AT Kearney Globalization Index. With respect to the Index of Economic Freedom, Ireland is ranked seventh in 2007. In the Global Creative Class Index it is ranked first.

Ireland is an open economy with a progressive industrial policy notably in regard to foreign direct investment. The corporate tax rate of 12.5% has underpinned its economic vibrancy. Currently the Irish economy provides strong annual employment growth and has acted as a magnet to a large number of non-national workers from across the globe, but primarily the EU and in particular from the recent EU accession counties (Poland, Lithuania and Latvia). This is in stark contrast to Ireland’s history of emigration.
Economic and trade ties are an important aspect of overall U.S.-Irish relations and U.S. investment has been a particularly important catalyst in the growth and modernization of Irish industry over the past 25 years, providing new technology, export capabilities, and employment opportunities.

Ireland is an attractive location for US companies for many reasons. It is a member of the EU and has adopted the Euro as its currency. It has a 12.5 percent corporate tax rate. Its skilled and flexible workforce is English speaking. Other important issues are the cooperative labor relations, political stability, pro-business government policies and a transparent judicial system. The fact that many multinational companies have already located in Ireland and have been operating successfully here for a number of years is also important. Whilst formerly, investment in manufacturing was the norm, a shift to investment in high-value-added services and R&D is discernible.

However, there are also some factors that are undermining Ireland’s competitiveness. Increasing labor and utility costs (especially when compared to low-cost countries in Eastern Europe and Asia), high value of Euro notably vis-à-vis the Dollar, skilled labor shortages, and inadequate infrastructure given the unprecedented economic and population boom (such as in the transportation and internet/broadband sectors). It has also become one of the more expensive countries with high property prices pushing up inflation.

**Course Objectives**

- Develop skills and experience in the identification, analysis, processing, and resolving of factors internal to organizations that influence doing business internationally.
- Develop critical thinking about global strategy management and integrate prior knowledge, skills, abilities, and attitudes with the experience to develop a broader understanding of doing business internationally.
- Broaden cultural empathy and communication skills to function effectively in the global world.

**Course Requirements**

- Stern Pre-Departure meeting attendance
- Successful completion of all assignments
- Case Study Reading: Students are expected to read all case studies assigned in advance of class
- 100% attendance to all lectures, presentations and site visits in Dublin during the academic program
- Active participation in class discussions and cases

**Failure to meet attendance and deliverable requirements will result in a failing grade.**
Mandatory Pre-Departure Class Session
A mandatory pre-departure class session will be held on **Tuesday, March 2, 2010 from 5:00-5:45 p.m. at Stern** to meet in study groups, review logistics, and discuss pre-trip work. Room for session will be emailed to enrolled students prior to date. **Students that are unable to attend the pre-departure meeting will not be permitted to participate in the DBi Ireland course.**

Grading
DBi courses are developed by Stern in collaboration with the partner school. As such, DBi courses follow the same grading policies of all Stern courses. Letter grades are given and recorded on the student’s Stern transcript. The final grade is calculated into the Stern GPA. All course requirements stated on the syllabus must be met to receive a passing letter grade. Assignments are graded by the host school faculty member. Final credit will be awarded once the official transcript is received from the school abroad.

Students who fail a DBi course will not receive credit and must make up these credits through additional coursework at Stern.

UCD Smurfit professors will grade the students based on the following STERN grading system:

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<tr>
<th>Grade</th>
<th>Percentage</th>
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<td>A</td>
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**Attendance at all required events:** Please be advised that attendance is mandatory at all classroom lectures and corporate visits. **Not attending a required session will result in a failing grade.**
UCD Smurfit Professors will grade the students based on the following criteria:

- 40% Briefing Book Assignment
- 40% Post Trip Paper
- 20% Class Participation – Active participation is strongly advised.
- Attendance at all required sessions is mandatory. Failure to attend any required session results in a failing grade for the course.

**Course Deliverables**

**Pre-Trip Group Assignment:** Briefing Book on Ireland

- **Thursday, March 4 – All Group Reports Due**
  Students will email assignments to both UCD (john.cassidy@ucd.ie) and MBA International Programs (intl@stern.nyu.edu).
- **Friday, March 5 – All papers posted on Blackboard.**
  Stern will post reports on Blackboard site under “Briefing Book” section for students to read.
- **Sunday, March 14 – All group reports read by students.**
  Students must read all of the group reports before arrival in Ireland.

This is the first assignment as part of the ‘Doing Business in Ireland’ Program, and involves the creation of a briefing book which will provide contextual information on the business environment in Ireland. MBA International Programs will pre-assign study groups before the March 2010 pre-departure meeting. Each study group will be assigned one of the topics shown below. (Given the number of groups and topics, a topic may be covered by more than one study group. If more than one group works on a topic, each group must work independently.)

On or before **March 4, 2010**, each study group must complete its written report and send it by email attachment both to John (Seán) Cassidy at john.cassidy@ucd.ie, and to the Stern MBA International Programs Office, intl@stern.nyu.edu for posting to the DBi Ireland Blackboard site. Students must read all of the group reports before arrival in Ireland.
Format:
- Group size: 4
- Length: 7 pages maximum (no less than 5)
- Font: 12 point Arial, single spaced with an extra space between each paragraph
- Additional items such as tables, charts, suggested websites and readings, etc., may be attached but do not count as part of overall length
- Do not use any headers or footers
- Organization of the report. The report should have 3 major sections:
  1) General introduction to the topic,
  2) Specific responses to the topic area in sub-sections, and
  3) Conclusions

Topics: Please answer all of the questions in the topic area assigned to your group.

Topic 1: Ireland’s Historical and Social Evolution
a) What was Ireland’s role as part of the British Empire?
b) How did the Reformation in Europe impact on the development of religion in Ireland?
c) Why did Ireland become independent from United Kingdom?
d) What were the determinants of emigration in the 19th and 20th Centuries, and what socio-economic and cultural impact did the emigration have in Ireland?
e) Briefly outlines the key players with respect to the conflict in Northern Ireland, and discuss what now appears to be a peaceful outcome.

Topic 2: Ireland’s Political System
a) Describe the evolution of the Irish Political System as a product of the war of independence and civil war.
b) The key political parties are Fianna Fail and Fine Gael – how are they different?
c) If the division of church and state characterize the modern western state, to what degree does this prevail on the island of Ireland?
d) Ireland is a neutral country. Why is this and in practical terms what does this mean?
e) What are the key domestic policy issues?
f) What does EU membership mean for politics in Ireland?

Topic 3: Ireland’s Social Structure
a) What has been the traditional Irish social structure?
b) Is emigration still a reality?
c) What about immigration and its impact on Irish society?
d) Who are the Travelers and what role do they play in Irish society?
e) Has all Irish society benefited from the economic boom?
Topic 4: Ireland and Culture
   a) Is the Irish language important?
   b) What is the Gaelic Athletic Association and how does it impact on contemporary Irish culture?
   c) Is pub culture an important phenomenon?
   d) Are Irish people hierarchical or egalitarian?
   e) Music, literature – is this what Ireland’s culture is all about? Is ‘culture’ an important industry in Ireland?
   f) Culturally, do you think Ireland is closer to the UK? The US? Continental Europe?

Topic 5: The Macro-economy of Ireland
   a) What changes took place in and after 1989 that set the seed for future economic growth?
   b) What was the key partnership that underpinned the partnership for economic growth?
   c) What is the current GPD per capita in Ireland in 2010 and how does it compare with 20 years ago? What is the difference between GDP and GNP / GNI and which tool is more appropriate for measuring Irish economic growth?
   d) What is the trade breakdown in terms of exports and imports? How do the indigenous companies compare with MNEs?
   e) Is the taxation system facilitative of the business environment?
   f) How competitive is the Irish economy?
   g) Has membership of the EU and more recently the Euro been good for the Irish economy?
   h) What threat does the housing boom pose for Irish economic stability?

Topic 6: Multinationals and Location in Ireland
   a) Why has Ireland been an attractive location for MNE subsidiaries?
   b) In examining Ireland’s external trade breakdown, is Ireland dependent on MNEs? Is this indicative of weakness or strength?
   c) What are the top MNE subsidiaries in Ireland in terms of export earnings?
   d) Why have exports from manufacturing MNEs stagnated in the last few years?
   e) Is it inevitable that manufacturing MNEs will relocate to economies with cheaper factor costs?
   f) What kinds of MNEs should Ireland be trying to attract -- or do you think this is a flawed national strategy?

Topic 7: Indigenous Industries of Ireland
   a) What are the key indigenous industrial and tertiary sectors?
   b) Does Ireland exhibit a model of a dual economy: a dynamic international sector and a stagnant / declining indigenous sector?
   c) Which industries are dynamic and why?
Post-Trip Assignment 2:
Due on Monday, April 5. Students will email assignments to UCD at john.cassidy@ucd.ie.

This second assignment provides an opportunity to pull together what you have learned through the DBi course. On or before April 5, 2010, each study group must complete its written report and send it by email attachment to John (Seán) Cassidy at john.cassidy@ucd.ie.

Format:
- Group size: 4
- Length: Expected 7 pages in total for the two topics (maximum 10 pages)
- Font: 12 point Arial, single spaced with an extra space between each paragraph
- Additional items such as tables or charts may be attached but do not count as part of overall length

Topics: Please answer topic 1 and one of the topics 2 or 3. The choice between topic 2 and topic 3 is up to the group.

Answer this topic:

1. Perform a SWOT Analysis on Ireland as an international business environment. What are the key challenges to its competitiveness, and in your informed opinion what are the key recommendations that Ireland needs to take on board to ensure its attractiveness as a business environment.

Answer one of these two topics:

2. Do a Porter Five Forces Analysis of any one of the following global industrial sectors in Ireland: the IT hardware industry, the IT software industry, the international financial services industry, or the construction industry.

--OR--

3. Take any case study allocated (excluding Foreign Direct Investment and Ireland’s Tiger Economy). Identify the key issues in the case, and make recommendations as to the solution to the core problem.

Case Studies


Ryanair: Flying High in a Competitive Atmosphere, ICFAI Business School, Bangalore ECCH (305-066-1)
**Bailey’s Irish Cream.** © 2007 Frank Bradley, University College Dublin, Ireland. This case study was prepared by Professor Frank Bradley, UCD Michael Smurfit School of Business, University College Dublin as a basis for class discussion rather than to illustrate either effective or ineffective management of an administration situation.

**Academic Questions**
For academic questions, students will contact the Smurfit academic director of UCD, Smurfit School of Business:

Dr John (Seán) Cassidy  
Smurfit & Quinn Schools of Business  
Quinn Building, University College Dublin,  
Belfield, Dublin 4, IRELAND.  
Tel: +353 1 716 4831  
Fax: +353 1 716 4762  
Email: john.cassidy@ucd.ie

**Study Groups**
Study groups and Briefing Book topics will be pre-assigned in groups of 4 students before March 2010 Pre-Departure meeting.

**Laptop and Wireless Handheld Devices Policy**
While students are encouraged to bring their laptops to work on their presentation, laptops are not allowed in the classrooms. Wireless Handheld Devices (Blackberry, Palm, Cell Phones, etc.) are not permitted in the classrooms. Please respect the professors and the partner school by adhering to this policy.

**Honor code/Code of Conduct**
It is a requirement that students adhere to the MBA Honor Code and Code of Conduct. Every student is obligated to report to the Academic Affairs administrator in charge on the DBi program any suspected violation of the code that he or she has observed. http://w4.stern.nyu.edu/scorp/committee.cfm?doc_id=4797 Code of Conduct violations will be reported to and handled by the MBA Judiciary Committee upon return to Stern.

**Access to computer labs, library and research facilities**
Wireless connectivity is available on the UCD Smurfit campus and in the hotel. There are a very small number of heavily used computer terminals at Smurfit should you not chose to bring your laptop. Broadband wireless is available in all areas of the O’Callaghan Alexander Hotel. Students just need to purchase a log on from reception at the reduced rate €5.00 for 12 hours and €10.00 for 24 hours. No cables are required when using wireless. There is wired internet access also available in the bedrooms and if students wish to use this then they will require their own cables.
Accommodations

Double Occupancy-6 nights

Hotel – O’Callaghan Alexander Hotel, Dublin, Ireland

Their Postal address is Alexander Hotel, Merrion Square North, Dublin 2. It is located on the corner of South Cumberland Street and Fenian Street (very small insignificant streets, hence the reason they say they are on Merrion Square). It is 50 meters off and parallel to Merrion Sq North. See Google map: http://tinyurl.com/39wewk

http://www.ocallaghanhotels.com/dublinmain/Alexander.aspx

- Check in: Sunday, March 14, 2010, after 2 p.m.
- Check out: Saturday, March 20, 2010, before 12 noon.
- 6 Breakfasts included

Check-in is from 2pm and check-out is by 12noon. Early check-ins are subject to availability, unless bedrooms are booked from the night before. The hotel team will do their very best to accommodate guests as quickly as possible.

The O’Callaghan Alexander Hotel is located in Dublin City's Georgian Merrion Square, ideal for shopping as it is within strolling distance of the renowned Grafton Street area. The hotel offers car parking (at an additional fee) and is easily accessible by private and public transport, making it a convenient choice for both Dublin weekend breaks and business travel. The O'Callaghan Alexander Hotel has a contemporary feel, making it a real favorite among European travelers. As there are numerous international direct flights from European cities to Dublin, The O'Callaghan Alexander Hotel provides an excellent choice for international short breaks in Dublin.

From Dublin Airport

Taxi

There is a taxi rank outside the arrivals area at Dublin airport. A one way fare to the city centre takes from 30-45 minutes depending on traffic and costs approximately €30 - €35.

Aircoach

Departs from outside the arrivals terminal at Dublin airport every 15 minutes from 05:30 to 23:30 daily. Adult fare is approximately €7 one way and euro: 12 return. Disembark at Merrion Square North for the O'Callaghan Alexander, Davenport and Mont Clare Hotels (1 minute walk) and Lucent House for the O'Callaghan Stephen's Green Hotel (across the street). Email: aircoach@iol.ie Website: http://www.aircoach.ie/

DART Train Station (Dublin Area Rapid Transit - Rail)

The DART is a public, rapid train that runs through the city centre to the northern and southern extremities of the city. Please note DART tickets are at student expense. Pearse Street is the closest DART stop to the O'Callaghan Alexander. It is located within 5 minutes walk.
TO SCHOOL: Taking the DART from Dublin, Pearse Station to Blackrock Station and walking to campus from the station. Taxis are available at the student’s own expense. http://www.iarnrodeireann.ie/dart/your_journey/maps_and_zones.asp

**DART to SCHOOL: From Pearse Station (Alexander Hotel) to Blackrock Station (Smurfit School) by DART:**
- Travel southbound (towards Bray) to Blackrock Station.
- Walk up Carysfort Avenue (see maps below) and turn right into Smurfit School.

**Meals and Incidentals:**
6 breakfasts are included with the accommodations. One Farewell Dinner is included in the program fee: All lunches and other dinners are on your own and are **not** included in the DBi program fee. Other meals are readily available for students to buy on campus at UCD for coffee breaks and lunch. The university restaurant has a full menu for lunch and class times are scheduled to avoid long lines. It will not be necessary for students to go off-campus for lunch. Surrounding the hotel, there are several restaurants for dinner.

**Arrival Reception:**
On the day of arrival Sunday March 14, there will be a reception at the Alexander Hotel at 7 p.m. This will include light beverages plus finger food. The Dean of the UCD Smurfit & Quinn Schools of Business Professor Tom Begley will welcome the students. Dr John Cassidy will give a brief overview of the program and will focus on any technical details such as DART train tickets and wireless internet access.

**Departure Meal – Farewell Dinner:**
There will be a meal to bring an end to the program at 7 p.m. on Friday March 19 with Irish music accompaniment in the Smurfit Restaurant (on campus.)

**Meeting Smurfit MBA Students**
Monday Lunchtime March 15, 1-2pm Buffet and get-to-meet Smurfit MBAs, Pillar Room, Smurfit School
Friday Evening March 19, 6-8pm Farewell Dinner with Smurfit MBAs, Smurfit Restaurant

**Visas**
**U.S. Passports do not need a visa to travel to Ireland.**
Do you need one? Check here: http://foreignaffairs.gov.ie/home/index.aspx?id=8777

A passport is necessary, but a visa is not required for tourist or business stays of up to three months. Visit the Embassy of Ireland web site at http://www.irelandemb.org for the most current visa information, or contact the embassy at 2234 Massachusetts Avenue NW, Washington, DC 20008, tel: (202) 462-3939, or the nearest Irish consulate in Boston, Chicago, New York or San Francisco.
Note: It is the student’s responsibility to apply and receive the appropriate visas for their passports in a timely manner for the course. Refunds are not provided for those students who fail to secure their visas.

**Group Events**
Fees and transportation for the city tour and cultural excursions are included in the DBi program fee.

**Transportation to/from Dublin**
Students must arrange and pay for their transportation to/from Dublin, Ireland and to/from the airport. Students must arrive at the hotel on Sunday, March 14, 2010 and plan to depart from the program on the morning of Saturday, March 20, 2010. Students are free to travel independently before or after the course at their own expense.

- *To Corporate Visits*: Transportation to and from all corporate presentations is included in the DBi program fee.
- *To Group Events*: Group program activities include transportation, and are included in the DBi program fee.
- *To School*: Students are responsible for reaching the classroom on their own. Taking the DART from Dublin to Blackrock and walking to campus from the station. Taxis are available at the student’s own expense.
- *To Personal Activities*: Not included in the DBi program fee; at student’s own expense.

**Costs for Program**
1. Stern tuition for 1.5 Credits
2. DBi Program Fee
   Includes:
   - UCD Smurfit expenses
   - Accommodation with breakfast for 6 nights (double-occupancy for the nights of March 14-20)
   - 2 Corporate visits with transportation
   - 1 City Tour of Dublin
   - 1 group Welcome Reception
   - 1 group Farewell Dinner
   - 1 Irish House Party
   - Abbey Theatre Visit
   - National Museum Visit Transportation
3. Additional Expenses to be Covered by Student (EXCLUDED from DBi Program Fee)
   - Airfare
   - Transport to/from airports
   - 7 lunches
   - 6 dinners
   - Transit fare
   - Entertainment
   - Personal expenses
   - DART Transit to and from Hotel to School (Week transit rate: €15.10; One way journey costs €1.70; return journey costs €3.15)

**International Students**
International students must contact OISS regarding their travel plans and must attend an OISS “Travel Workshop.” Also, visit the OISS website “Immigration & Employment”:
http://www.nyu.edu/osl/oiss/immigrationEmploy/travelInstructions.html

**Student with disabilities**
If you have a qualified disability and will require academic accommodation during this course, please contact the Moses Center for Students with Disabilities (CSD, 998-4980) and provide the International Programs Office with a letter from them verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.

**Please Review All DBi Program Policies**
Please review all of the DBi Program policies and procedures posted online at the MBA International Programs’ website at:
http://www.stern.nyu.edu/mba/international/DBI_Program/DBI_Overview.htm

**Questions**
International Programs, MBA ACADEMIC AFFAIRS
intl@stern.nyu.edu
KMC 1-75
Telephone: (212) 998-0771
Fax: (212) 995-4606

**Office Hours**
Monday - Friday: 9:00 a.m. – 5:00 p.m.

**Walk-in Hours**
Monday – Thursday: 12:00 – 1:00 p.m.; 4:00 – 5:00 p.m.
Appointments: 24 hours in advance
### COURSE SCHEDULE – Subject to Change

**Hotel Check-in: Sunday, March 14, 2pm**  
**Check-out: Saturday, March 20, 12 noon**

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<tr>
<th>Time</th>
<th>Sunday</th>
<th>Monday</th>
<th>Tuesday</th>
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<th>Friday</th>
<th>Saturday</th>
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<tbody>
<tr>
<td>9.00-10.50 am</td>
<td>Doing Business in Ireland: An Introduction</td>
<td>The American Chamber of Commerce in Ireland</td>
<td>International Financial Services Centre</td>
<td>Irish and Entrepreneurship Professor Frank Roche</td>
<td>Company Visit Microsoft</td>
<td>Depart Dublin – Check out Hotel</td>
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<td></td>
<td>Lecturer: Dr Sean Cassidy</td>
<td>Professor Brian Cotter</td>
<td>Speaker: Mr. Jim Whelan</td>
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<td>11.00-1.00pm</td>
<td>Case Study: Baileys</td>
<td>The Industrial Development Agency (IDA) -</td>
<td>Enterprise Ireland (EI) - Indigenous</td>
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<td>Professor Frank Bradley</td>
<td>the Foreign Investment Authority</td>
<td>Enterprise Creation Authority</td>
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<td>Speaker: Mr. Jim Whelan</td>
<td>Speaker: Mr. Gerry Murphy</td>
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<td>1.00-2.00pm</td>
<td>Arrive Dublin</td>
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<td>2.00-3.50pm</td>
<td>The Alexander Hotel Check-In</td>
<td>Company Visit: Dell</td>
<td>Case Study: Ryanair Dr Eleanor O’Higgins</td>
<td>CRH Jack Golden. Bio</td>
<td>Political Perspective Dr John Coakley</td>
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<td>4.00-6.00pm</td>
<td>Culture City Tour of Dublin</td>
<td>Company Visit: Dell</td>
<td>Ireland: A Cultural Perspective on Speaker: Archaeologist Dr Dorothy Kelly</td>
<td>Culture Nat’l Museum Ireland Visit</td>
<td>Course Synthesis &amp; Summary</td>
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<td>6.00-7.00pm</td>
<td>Orientation/Small Reception Alexander Hotel</td>
<td>Culture Abbey Theatre ’The Playboy of the Western World’ – A New Version</td>
<td>Culture Stand-up Comedy</td>
<td>Culture Irish House Party</td>
<td>Farewell Dinner at Smurfit</td>
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<td>7.00-8pm</td>
<td>Free Evening</td>
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LOGISTICAL INFORMATION

Where are you going?

Smurfit to Dublin (maps, campus virtual tour, directions):
http://ucdbusiness.ucd.ie/index.cfm?area=content&action=contentselect&menuid=181&

Getting there:

Dublin Airport Information: http://www.dublintourist.com/travel_info/dublin_airport/

Taxi Services at Dublin Airport
A taxi rank is provided just outside the arrivals hall at Dublin Airport. Approximate fare
to the city centre is €25. Ask the taxi driver in advance the cost. The taxi driver industry
has recently been deregulated and there are some unscrupulous scoundrels around.
However, there are charges for additional passengers / animals, and also if traveling
between 8pm and 8am or on Sundays / Public Holidays. Ask the taxi driver in advance if
you have any questions.

Rail to/from Dublin Airport
Unfortunately, there are no direct rail services to Dublin Airport. However, it is possible
to get the AirLink service, run by Dublin Bus to Connolly railway stations. Connolly
serves the DART rail lines, as well as rail services to the north, northwest, and southeast.

From Dublin to Smurfit (Blackrock) by DART (Dublin Area Rapid Transit - Rail):
• Travel southbound (towards Bray) to Blackrock Station.
• Walk up Carysford Avenue (see maps below) and turn right into Smurfit School.

1. Exit from Blackrock dart Station, go up a small hill called Bath place (passing
Idrone Terrace and Idrone Mews on your left) until you reach after 100 meters
Main Street Blackrock. Cross Road and Go Left. After 50 meters turn right into
Carysford Ave. Go along Carysford Ave for 100 meters, Cross Dual Carriageway
at lights, then continue along the Carysford Avenue for 200 meters, though
crossroads and traffic lights then another 100 meters until you see a large stone
wall on your right with big gates and the Michael Smurfit School of Business
name.
2. Walk along the entrance avenue for maybe 150 meters until you see the main
entrance in a large redbrick building. This is the Smurfit Business School.

How long does it take to go from the Hotel to the school on the DART?
About 45 minutes: 5 minutes from Hotel to Dart (400 meters); to Blackrock 25 minutes;
by foot from station to Smurfit 15 minutes.
CLASS LOCATION: Address on campus and directions.
The address is The Michael Smurfit School of Business, Carysford Avenue, Blackrock, Co. Dublin. It is a large Red bricked building with a few steps up to large doors. On entering the Smurfit Building, please note the signs. Turn left for ‘Management House’. Proceed to Room no. 2.

Detailed Google Map: http://tinyurl.com/yrftly
Helpful Links

**UCD Smurfit Information:** http://ucdbusiness.ucd.ie/

**Smurfit to Dublin (maps, campus virtual tour, directions):**
http://ucdbusiness.ucd.ie/index.cfm?area=content&action=contentselect&menuid=181&MainNavigationMenuID=1&ancestorlist1=0,1

**Blackrock Guide (maps, restaurants, attractions):**
http://www.dublintourist.com/towns/blackrock/

**DBi Website (policies, registration, guidelines):**
http://w4.stern.nyu.edu/academic/affairs/international.cfm?doc_id=5929

**Ireland Tourist Board:** http://www.ireland.ie/

**Weather – Dublin, Ireland:**

**Currency Conversion:** http://finance.yahoo.com/currency?u

**DART:** http://www.iarnrodeireann.ie/dart/your_journey/maps_and_zones.asp

**Cultural Events**

**Irish House Party:** One of the most fun experiences you can have is to find yourself at an Irish house party with musicians, singers, storytellers and dancing. Unlike any other evening out in Dublin, The Irish House Party is organized by local traditional musicians who create this famous Irish custom in its original intimate and homely setting … (read on). http://www.theirishhouseparty.ie/
Abbey Theatre: *The Playboy of the Western World*
http://www.abbeytheatre.ie/whatson/playboy.html

National Museum of Ireland: http://www.museum.ie/

City Tour: http://www.dublinbus.ie/sightseeing/citytour.aspx

**Dublin Tour Hop On - Hop Off**
The Dublin Tour has been carefully designed to give you the freedom to explore and experience the history and culture of Dublin at your leisure. We visit all the main Dublin attractions along our route and these include Dublin Zoo and Trinity College (home of the Book of Kells). Our entertaining Dublin tour guides, who are all accredited by Failte Ireland, will show you the city as only a native can. Your 24-hour ticket allows you to hop on and off as often as you wish.

The tour operates daily from 9.30am and can be joined at any of 23 stops, each conveniently located near one of the most popular Dublin attractions. For example, you can join outside Trinity College, leave at the Guinness Storehouse (and sample the product!) and then re-join later. You could even start your Dublin tour in the afternoon and come back to see more the following morning. To enhance your enjoyment we have arranged discounts for you at a selection of the most popular attractions en route.

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**Lecture and Corporate Visit Descriptions**

**Guinness - part of the Diageo Group**
Diageo is the world's leading premium drinks business with an outstanding collection of beverage alcohol brands across spirits, wine and beer categories. These brands include: Smirnoff, Johnnie Walker, Guinness, Baileys, J&B, Captain Morgan, José Cuervo, Tanqueray, Crown Royal, Beaulieu Vineyard and Sterling Vineyards wines, and Bushmills Irish whiskey.

Diageo is a global company, trading in over 180 markets around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO).

We employ over 22,000 talented people worldwide with offices in around 80 countries. We have manufacturing facilities across the globe including Great Britain, Ireland, United States, Canada, Spain, Italy, Africa, Latin America, Australia, India and the Caribbean.

Diageo was formed in 1997, following the merger of GrandMet and Guinness, and is headquartered in London. The word Diageo comes from the Latin for day (dia) and the Greek for world (geo).
Guinness owner Diageo reports continuing slippage of Irish beer sales

By Finfacts Team, Feb 15, 2007, 10:07

Guinness owner Diageo, the world's biggest liquor company, today reported a strong first half performance and increased guidance for full year organic operating profit growth to 8% on sales of Johnnie Walker whisky and Smirnoff vodka in the US and Asia.

Reported net sales in Europe in the period ended 31 December 2006 were down £51 million from £1,408 in the comparable period, to £1,357 million. Reported operating profit decreased by 2% from £494 million to £484 million.

In Ireland, on trade beer volume continued to decline, while off trade beer and overall wine and spirits consumption increased. The group says that consumers are widening their "repertoire" and becoming more value conscious particularly in the off trade. These trends affected Diageo’s performance in Ireland with beer net sales down 3%, while spirits and wine net sales were both up 5%. Total volume and net sales declined 3% and 2% respectively.

Diageo, like French competitor Pernod Ricard SA, owner of Irish Distillers, is focused on expansion outside Europe after demand for its Guinness stout and bottled, premixed drinks containing Smirnoff vodka slowed in the region.

In North America, Baileys showed particularly strong growth with volume up 22% and net sales up 25% following the national launch of Baileys flavors and the continued strong performance of Baileys Original Irish Cream.

Johnnie Walker outpaced the category and increased share by 1.6 percentage points with growth across all variants. Volume grew 2% reflecting further reductions in stock levels. Mix improvement toward Johnnie Walker Black Label and the super deluxe variants drove 6% growth in net sales.
Guinness Draught in Bottle grew volume 13% while Guinness Draught increased volume by 4%. Changes in shipment phasing benefited the prior period performance and therefore Guinness Extra Stout volume declined. As a result, total Guinness volume grew 2%.

Paul Walsh, Chief Executive of Diageo, commenting on the six months ended 31 December 2006 said:

"Diageo has made a strong start to the year. Excellent performances in North America and International and unchanged profits in Europe delivered double digit underlying earnings growth. Our spirits brands, especially Scotch where net sales grew 11%, did particularly well, benefiting from increased investment in marketing. As a result of this strong start we are increasing our guidance for organic operating profit growth to 8% for the full year. We still expect to return a total of £1.4 billion to shareholders through share buybacks this year and to continue our progressive dividend policy.

"In North America our continued outperformance in the US spirits market was the key driver of the 11% organic operating profit growth we delivered. Operating leverage from price and mix improvements in beer, wine and ready to drink also contributed to the margin expansion we achieved.

"In International, we again grew marketing spend faster than net sales. This investment delivered stronger top line growth, share gains in markets from China to Mexico, organic operating margin expansion and organic operating profit grew 17%.

"In Europe, growth in our Continental Europe hub and in Russia was offset by weaker top line performance in Great Britain, Ireland and Spain and total net sales declined. However, as in North America, price and mix improvement led to organic operating margin expansion and on an organic basis operating profit was maintained.

"We believe that a capital structure broadly consistent with a single A credit rating gives Diageo the appropriate level of flexibility and given our strong free cash flow this capital structure would allow us to fund a £1 billion share buyback program in fiscal 2008."

This is a visit to a company factory with a difference. No business talk. This is about how Guinness is made – and more to the point – what it tastes like!

**US Multinational: Dell Ireland**

Established in Ireland in 1990, Dell is Ireland’s largest exporter, *largest technology company and its second largest company overall**. Dell has two locations in Ireland - a European manufacturing facility, based in Limerick and a European Business Campus, based in Cherrywood, Co Dublin.

Dell promotes and values continuous learning and has driven Business Process Improvements (BPI) into all elements of its operations in Ireland. The approach has been to educate employees to think from the customer perspective and to use a methodology and toolset to improve everything they do. Lean Thinking and BPI have enabled Dell in Ireland to contribute to Dell’s competitive advantage in EMEA.
Recent Press Article:

Ireland's largest exporter Dell is responsible for 4% of all expenditure in the Irish economy, By Finfacts Team, Jun 1, 2006, 11:31, http://www.finfacts.com/irelandbusinessnews/publish/article_10006071.shtml

Micheál Martin, T.D., Minister for Enterprise Trade and Employment officially opened Dell’s EMEA Business Campus, at Cherrywood, Co Dublin on June 1, 2006, where ultimately up to 1,650 employed will be employed there. Dell is Ireland's largest exporter. The Minister said that Dell Ireland is the 2nd largest ICT employer in Ireland (after chipmaker Intel) with over 4,300 currently employed between Dublin and Limerick. Dell’s importance to the Irish economy is evidenced by the company’s contribution of at least 5.5 per cent of Irish exports, 2 per cent of GDP and over 4 per cent of all expenditure in the Irish economy. In the financial year ended 30th January 2004, Dell paid €160m in salaries in Ireland. For the financial year ended 30th January 2005, Dell paid €55m in Corporation Tax. Dell headquarters Round Rock, Texas - Much of the PC industry's growth is coming from strong demand in China and India.

"I am particularly pleased at the quality of investments in 2005 and their regional spread. I am also very encouraged to see that of the €1.035 billion invested in 121 projects, €275 million of this has been invested in 50 R&D projects. The caliber and quality of the jobs being created is also critical with over half of all jobs created requiring third level qualifications and almost 40% of all new jobs in IDA-backed projects now earning in excess of €37,000 per annum," Martin said.

In the global context, Dell Inc., Texas, is one of the world’s fastest growing company (Fortune 500), the world’s Number One manufacturer of computers and during 2005 was the Number One supplier of personal computer systems worldwide. The company employs 65,000 people globally and has sales offices in 170 countries. The company currently has an 18% market share of the worldwide PC market. Dell provides products to 90% of the Fortune 500.

For the year ended 3rd February 2006, Dell recorded a 14% increase of net revenues to US$56 billion, net income of US$4 billion, total cash and investments of US$12 billion. During this time an extra 10,000 people were hired. EMEA revenue during this period was up 19%, generating $12.9bn in revenue (23% of total revenues). During this period Dell announced new facilities in El Salvador, Japan, China and the Philippines – including ten customer contact centers in the US, a Dell Design Centre in Singapore and a Dell Enterprise Command Centre in Malaysia. Dell also doubled manufacturing capacity in China (fourth largest market) and shipments increased 37% during this period.

Dell’s objective is to be an $80 billion company in the next three years and Dell expects 55% of growth to come from international markets with Europe representing a strong growth market for Dell. The company is also investing in high growth countries like China, India, Brazil and Malaysia. Industry analysts continue to report favorably on the ability of the company to achieve this $80bn goal.
Ireland's two biggest private sector employers Dell and Intel [in recent quarters, it has faced falling margins and it is losing market share to AMD (Advanced Micro Devices), which has announced a USD$2.5 billion investment in its Dresden, Germany plants] are facing challenging times.

As foreign-owned firms in Ireland, were responsible for 87% of Irish exports in 2005, Ireland is also facing challenging times.

**US Multinational: Microsoft Ireland**

Microsoft first opened its doors in Ireland in 1985 with a small manufacturing facility employing just over one hundred people. Since that time, Microsoft Ireland has grown to encompass four distinct operations at its campus in Sandyford in South Dublin, employing over 1,200 full time employees and 700 full-time contract staff.

Microsoft's operations in Ireland include software development and testing, localization, operations, finance, IT, HR and sales & marketing, both here in Ireland and across Europe, Middle East and Africa.

Microsoft Ireland has four distinct operations based at its campus in Sandyford, Dublin:

1. **Microsoft European Operations Centre (EOC)***
2. **Microsoft European Product Development Centre (EPDC)***
3. **Microsoft European Development Centre (EDC)*** and
4. **Microsoft Ireland (Sales, Marketing and Services Group)***

**1. Microsoft European Operations Centre (EOC)**

Microsoft European Operations Centre (EOC) was established in 1985 and provides key support for the company's sales and customer support activities across 85 different countries.

**2. Microsoft European Product Development Centre (EPDC)**

Microsoft European Product Development Centre (EPDC) has been located in Ireland since 1988 and its employees play a significant role in the development and localization of over 100 products in 27 different languages. Over the years, the work of the group has evolved and now also includes some testing, engineering and core development work.

**3. Microsoft European Development Centre (EDC)**

In March 2005, Microsoft established the European Development Centre, a new centre for research and development based in Sandyford. EDC focuses on research and development of technologies that will become part of a number of Microsoft's core products. Initially, developers will contribute to Windows Media Centre, working on the Digital Terrestrial TV project for Europe and will also help design and develop components of the next release of the Windows operating system, Windows Vista. The team will collaborate with sister centers based in Denmark, India and China and will be part of the Microsoft Product Group R&D organization.
4. Microsoft Ireland (Sales, Marketing and Services Group)

Microsoft Ireland (Sales, Marketing and Services Group) was established in 1991 and has since grown to have a team of 100 people servicing customers throughout the island of Ireland. The SMSG group manages all sales, marketing, services and technical support for partners and customers of all sizes from enterprise customers, to small and medium sized businesses and home computer users.

There are over 1,200 Microsoft employees based at the campus together with 400 full time contractors.

Microsoft is an integral part of the significant ICT sector in Ireland and Microsoft executives take an active role across a broad range of industry bodies including; ICT Ireland, the Irish Software Association; FIT (Fast-Track to IT) and the American Chamber of Commerce.

Recent Press Article on Microsoft:

Microsoft to hide Irish Tax Haven data of subsidiaries that have saved it billions of dollars in US taxes, By Finfacts Team, Mar 9, 2006, 17:22


US software giant Microsoft has taken steps to shield from the public, the value of Tax Haven transactions of two Irish-registered subsidiaries that have enabled it to save billions of dollars in US taxes. Ha'penny Bridge, Dublin - Microsoft's Round Island One is Ireland's biggest company. It operates from the offices of corporate lawyers and reported €3.23 billion ($3.88 billion) in fiscal 2004 pretax profit and paid $308 million in Irish corporate tax. The company applied to the Irish Companies Office on Monday to re-register its Round Island One and Flat Island Company subsidiaries as companies with unlimited liability. Unlimited companies have no obligation to file their accounts publicly. The two companies operate from the Dublin offices of corporate lawyers Matheson Ormsby Prentice. The move to change the legal status of the subsidiaries follows a November 2005 report in The Wall Street Journal and weeks after the US Treasury Department said it was developing new rules to prevent US groups transferring intellectual property and patents abroad as a way of minimizing their exposure to US tax.

Last November, The Wall Street Journal wrote that "a law firm's office on a quiet downtown street [in Dublin, Ireland] houses an obscure subsidiary of Microsoft Corp. that helps the computer giant shave at least $500 million from its annual tax bill. The four-year-old subsidiary, Round Island One Ltd., has a thin roster of employees but controls more than $16 billion in Microsoft assets. Virtually unknown in Ireland, on paper it has quickly become one of the country's biggest companies, with gross profits of nearly $9 billion in 2004." Flat Island Company made a profit of $802.4 million in 2004 on sales of $2 billion, but paid no tax. It issues licenses for software in Europe, the Middle East and Africa.
Ireland's low corporate tax rate of 12.5% on trading profits has been a magnet for multinational companies who are responsible for 90% of Irish exports and a significant contributor to the success of the modern Irish economy, commonly known as the Celtic Tiger. In addition, an Irish tax exemption on patent income, has promoted the parking of US multinational company overseas profits in Ireland, through transfer pricing and other accounting measures. Ireland is the most profitable location of US multinationals and in the period 1998-2002, the profits of US companies with Irish facilities doubled. Ireland's annual corporate tax revenue is about €5.3 billion ($6.3 billion). The Wall Street Journal said in its report that a Microsoft Dublin-based company that is used for routing patent a royalty income from overseas operations, paid the Irish Revenue $300 million in taxes last year. Up to 50% of Irish corporate tax revenue may relate to taxes paid on income earned by US multinationals outside Ireland. Microsoft's effective global tax rate fell to 26 percent in its last fiscal year from 33 percent the year before. Nearly half of the drop was attributed to "foreign earnings taxed at lower rates," Microsoft said in a Securities and Exchange Commission August filing. Microsoft leaves much of its profit in Ireland, including $4.1 billion in cash, avoiding U.S. corporate income taxes. But it still can count this profit in its earnings. Microsoft did not explain why it chose to re-register the two subsidiaries when questioned about the move. "As part of our strategy to facilitate and support future business growth, Microsoft is re-organizing some of its legal entities within the group," it said in a statement to The Irish Times. "Microsoft Ireland Operations Limited (MIOL) is the primary operating legal entity in Ireland, employing over 1,200 people in four operations based in Sandyford. MIOL remains unaffected by any changes and will continue to publicly file its financial statements."

IDA Notes: http://www.idaireland.com/home/case_study.aspx?id=5&content_id=16

Irish Multinational: CRH - The International Building Materials Group

Home Page: http://www.crh.ie

Headquartered in Ireland, CRH operates in 28 countries, employing approximately 80,000 people, focusing on three closely related core businesses:

- Primary materials: Cement, aggregates, asphalt and surfacing, ready-mixed concrete
- Value-added building products: Precast concrete products; concrete blocks, pavers, roof tiles; clay bricks, pavers, tiles; insulation products; fencing & security; glass fabrication, roof lights & ventilation, construction accessories
- Specialist building materials distribution: DIY stores, builders merchanting, specialist distribution

Founded 1971, merger C + R; Sales €26M, 95% Ireland.
Now in 28 countries; 3,300+ locations; employing 80,000+ people.
Annualized Sales over €20Bn focused on three core businesses.
Evenly balanced across geographies, products and sector end-use.
Market Cap c.€16Bn, top 6 in sector worldwide.
Listed: Dublin (CRH.I), London (CRH.L) and NYSE (CRH)

Recent press release:


LONDON -- Irish building-materials company CRH PLC said yesterday that it is in talks to buy as much as $4.5 billion in assets from Mexican cement giant Cemex SA. The assets in the proposed deal include operations in Florida and Arizona that Cemex is required by the U.S. Justice Department to sell following its acquisition in July of Rinker Group Ltd., Australia's largest maker of building products. Dublin-based CRH is also in discussions to buy Cemex's concrete-pipe business, parts of its U.S. materials and product operations, aggregates operations, cement plants and gypsum-wallboard distribution business. In Europe, the assets include the San Feliu cement plant in Catalonia, Spain, and Cemex's ready-mixed concrete and aggregates assets in Austria and Hungary. Cemex confirmed it was in talks to sell assets to CRH. "The total value of the transactions could range from $3.5 billion to $4.5 billion," Cemex said in a prepared statement yesterday. Analysts said a deal, which would be the biggest in CRH's history, could add as much as 10% to full-year earnings and, given the strength of the company's balance sheet, CRH has the capacity to spend as much as €6 billion ($8.33 billion). CRH shares closed down 3.4%, or 94 European cents, at €26.70. NCB Stockbrokers analyst John Sheehan said the recent decline in CRH's stock price is "unwarranted," and he expects double-digit earnings growth in 2007, with a positive outlook for 2008. Goodbody Stockbrokers analyst Eamonn Hughes said the deal is good for both parties given that it is a "clean transaction," as CRH can take the assets in one go and gets a good product and geographical mix. The market knew Cemex would have to sell some assets as a result of its acquisition of Rinker, but the discussions with CRH involve a lot more than originally envisaged, Merrion analyst John Mattimoe said. He said all the assets have "strategic and operational overlap." Analysts said it is too early to tell how this deal will affect the company's market share in various markets, but CRH said last month it will continue to seek out acquisitions primarily in Europe and North America, particularly in nonresidential activity in the latter. Citigroup Inc., Merrill Lynch & Co. and Morgan Stanley are acting as financial advisers, Cemex said.

**General Readings**


The Economist Intelligence Unit Ireland Country Report 2007 – Available through Stern E-Library

Organisation for Economic Cooperation and Development (OECD) Ireland Documents http://www.oecd.org/country/0,3377,en_33873108_33873500_1_1_1_1_1_1,00.html
Marketline (formerly Datamonitor) A business information database containing company, industry and country profiles. Data available includes key corporate information; SWOT analysis; business history; and company, industry and country rankings. E-library database.

Global Market Information Database (Euromonitor) International statistical information and market analysis. Access information by country, company, consumer market/lifestyle etc. E-library database.

Encyclopaedia Britannica – Volume on Ireland;

Case Studies


Ryanair: Flying High in a Competitive Atmosphere, ICFAI Business School, Bangalore ECCH (305-066-1)

Bailey’s Irish Cream. © 2007 Frank Bradley, University College Dublin, Ireland. This case study was prepared by Professor Frank Bradley, UCD Michael Smurfit School of Business, University College Dublin as a basis for class discussion rather than to illustrate either effective or ineffective management of an administration situation.

Tools

Porter Five Forces: http://www.quickmba.com/strategy/porter.shtml. This site contains a section on strategy that includes materials to be used in the course, including, but not limited to: P.E.S.T, S.W.O.T., Porter’s Diamond of National Competitiveness.

Irish Government Websites

Irish Embassy Washington USA http://www.irelandemb.org/
Enterprise Ireland: Irish state development agency focused on indigenous industry. http://www.enterprise-ireland.com/
Forfás – Ireland’s national policy and advisory board for enterprise, trade, science, technology and innovation – spearheading competitiveness.
http://www.forfás.ie/
Science Foundation Ireland: Implements National Development Plan on Research http://www.sfi.ie/home/index.asp
ESRI - The Economic and Social Research Institute: http://www.esri.ie/
Central Statistics Office: http://www.cso.ie

**U.S. Government Websites**

U.S. State Department. http://www.state.gov

**Company Specific Materials**


Materials received directly from the organizations to be visited will also be assigned as well as readings provided by the Dr. Cassidy.