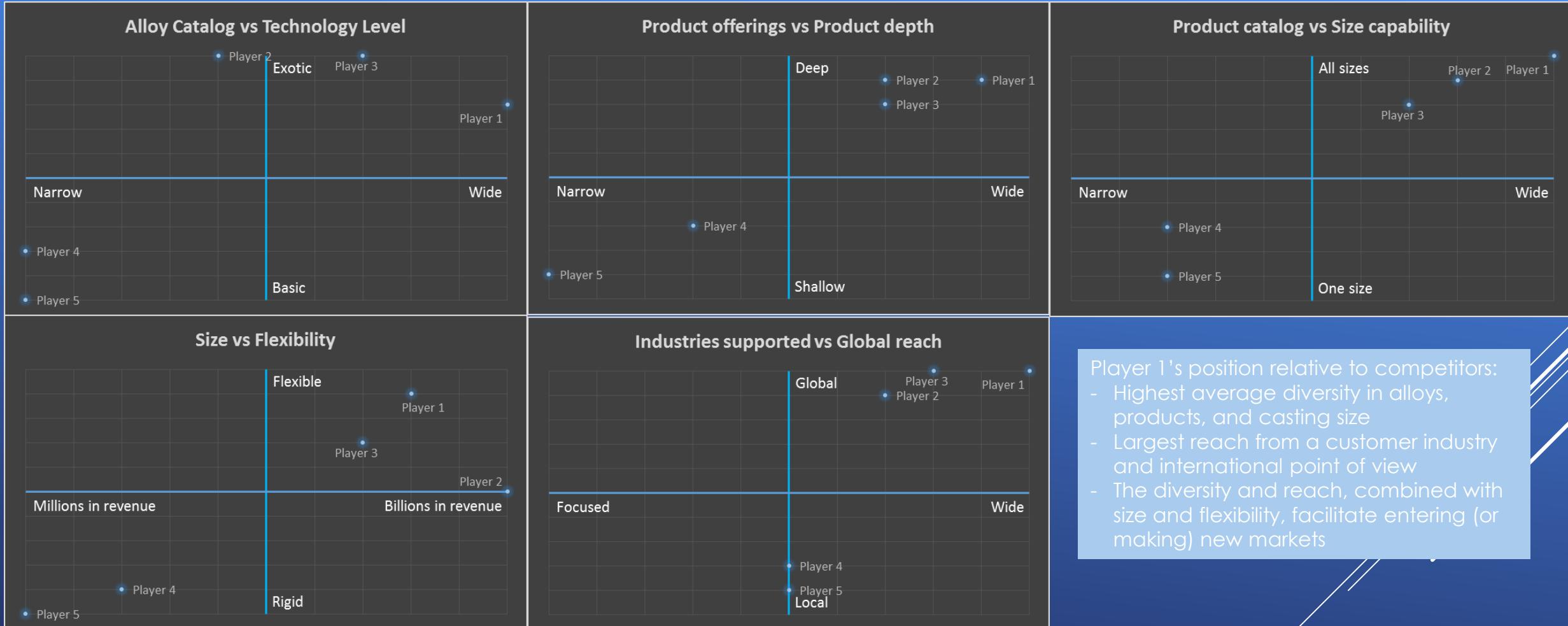


5 Forces Example for the casting industry

Assessment of where competitors stand and where
they can go....

Jake Sessions – TJ Firma, LLC

Competitive positioning – for today and tomorrow



Player 1's position relative to competitors:

- Highest average diversity in alloys, products, and casting size
- Largest reach from a customer industry and international point of view
- The diversity and reach, combined with size and flexibility, facilitate entering (or making) new markets

Competitors represent firms capable of multiple methods and those focused on one specific method:

- Investment
- Centrifugal
- Sand

Core strategies for the players in the casting market are derived from assessing themselves and the industry

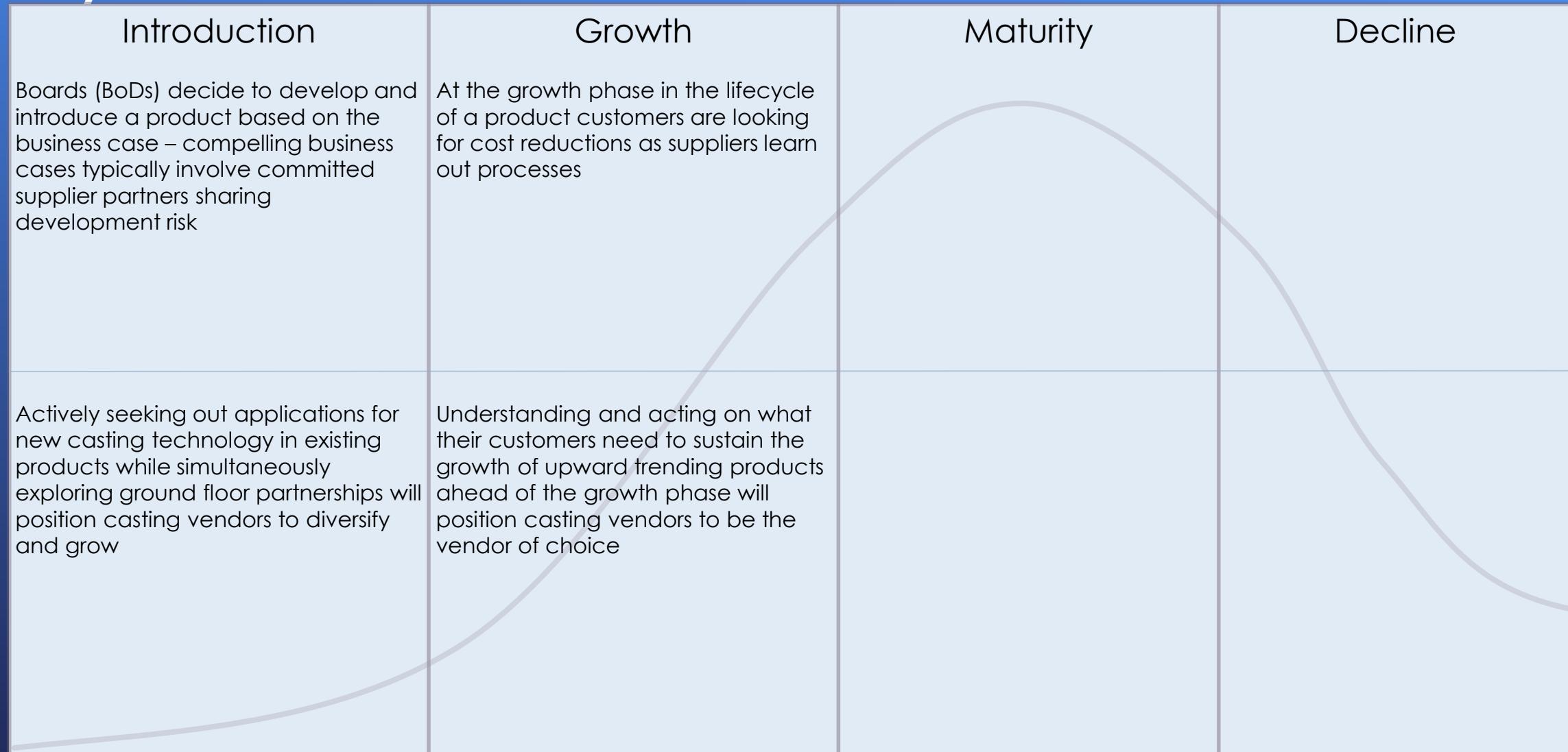
An effective competitive strategy takes offensive and defensive actions in order to create a defendable position against the 5 competitive forces – buyers, suppliers, rivalry, substitutes, and new entrants

Generic Strategies	<ul style="list-style-type: none">Overall cost leadershipDifferentiationFocus	<ul style="list-style-type: none">Being stuck in the middle – not being a leader in any of the three generic strategies	What to avoid
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Competitive Moves

- Cooperative / Nonthreatening moves - Moves that improve the firms position and improve competitors position
- Threatening moves
- Defensive moves
- Commitment – ex. unequivocally sticking with a move, 100% likelihood of a retaliatory response to competitor moves, commitment to take no action

Players in the casting industry must align their growth with product opportunities of their customers – or make the move into to get into their “buyers” business



Details of the study are available at:

contact@tjfirma.com