# Aims for profitability

**Xiamen University** 

Stefanie Lai, Michael Shi, Oliver Wu, Allen Chen

#### Content

- Situations
- Options and selections
- Implementation and millstone
- Risks and Mitigations

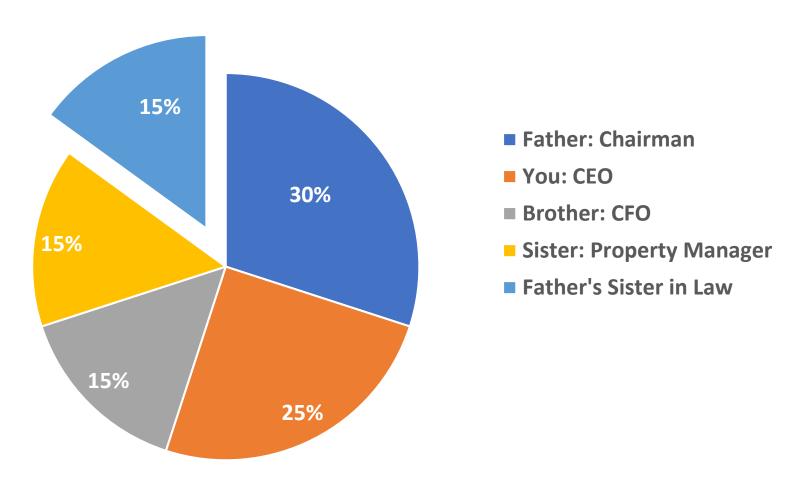
China Business
Consulting

# Situations

By Stefanie



## Situations – Company Share





### Situation analysis - Portland

#### Strength

- Close to city center
- Mortgage Free
- Ample parking

#### Weakness

- Open-air strip
- Cash flow
- Lower-middle classes

#### Opportunity

- Close to airport
- Lower-middle classes

#### Threat

- Surrounding with light commercial
- Walmart
- New discount store

#### Situations - Connecticut mall

#### **Strengths**

Location: interstate highway

89 stores

Anchor stores

#### Weaknesses

Sizable mortgage

#### **Opportunities**

Surroundings

Upper middle class

Parking

#### **Threats**

Anchor stores closed plan

#### Situations - Environment

- Online shopping impacts
- Pedestrian traffic decreased rapidly
- Lessors are suffering, plan to not renew leases
- > 25% of leases will expire in 2018

# Options and selections

By Michael

## Options – Sell two malls

- They are the only family business
- Lessors on hand
- Hard to find the buyers in short term for better prices

• NO!



## Options – Change to other business

Usage	Portland	Hartford
Hotel	Yes	No
Restaurant & Entertainment	NO	Yes
Office	Yes	Yes
Apartment	Yes	No
Parking lot	No	Yes



## Options – Change to other business

Usage	Portland		Hartford	
Hotel	Cost: High Profit: High	٧		
Restaurant & Entertainment			Cost: low Profit: High	٧
Office	Cost: low Profit: High	<b>VV</b>	Cost: low Profit: High	٧
Apartment	Cost: Medium Profit: Medium			
Parking lot			Cost: low Profit: Low	<b>VV</b>



# Implementation and millstone

By Oliver



# Implementation and Milestone Portland





# Implementation and Milestone Hartford



China Business
Consulting

# Finance

By Allen



# Expected income

	Short term	Long term
Portland		
Change to office	13,980,000	0
Change to hotel	0	25,000,000
Subtotal	13,980,000	25,000,000
Hartford		
Restaurant	8,290,800	11,844,000
Office	8,010,000	8,900,000
Parking lot	720,000	864,000
Subtotal	17,020,800	21,608,000
Total	31,000,800	46,608,000

China Business
Consulting

# Risks and Mitigations

By Allen



## Risks and Mitigations

Risks	Mitigations
Lessor relationship	Pre-Communication and control contract duration
Lack of Construction Fee	Attract outer investment
Construction Noise	Communication with society Construction in night shift