**CHAPTER CASE 1.1: Central Transport, Inc.** p.31

**Case Notes:**

1. Why and how has the competitive market place for SAB changed in the last five to seven years?

-Large retailers, such as Wal-Mart are putting pressure on distribution companies like SAB since they can buy directly from manufacturers, cutting down on costs

-Major external changes include globalization, technology, organizational consolidation, the empowered consumer, and government policy and regulation

1. What advantages might Central experience in the proposed new venture?

-SAB’s desire to increase its transportation base and customer services means that Central will likely receive additional business

1. What issues would SAB and Central face in the proposed new approach?

SAB: Adding services could add costs that make them unappealing to profit-squeezed customers

Central: “Growing pains” due to challenges from driver shortages, higher fuel costs, and changes in driver hours regulations