

INTERNATIONAL NEW  
VENTURE:  
TOP GLOVE CORPORATION BHD.

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## **ABSTRACT**

Internationalization is no longer a choice but is a necessity that allows growth and survival expansion. This study is meant to be both descriptive and explanatory study which aims to assess the environment of internationalization in international new venture (INV) context of a specific Malaysian company, namely Top Glove Corporation Bhd., by looking to the drivers that enable the company in expanding their activities and operations abroad. The findings show the importance extensive assistance of the governmental institutions through the establishment of multiple plans, schemes, initiatives and incentives.

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## TABLE OF CONTENTS

### CHAPTER ONE: INTRODUCTION

1.1 International Business.....	1
1.2. Background.....	1
1.2.1 Internationalization definitions.....	2
1.2.2 International new venture (INV) definitions.....	3
1.2.3 Rubber Gloves Industry.....	4
1.3 Problem Statement.....	6
1.4 Research Objectives.....	7
1.5 Contributions of the research work.....	7
1.6 Scope and Limitation .....	8
1.7 Report Structure.....	8

### CHAPTER TWO: LITERATURE REVIEW

2.1. Internationalization.....	10
2.2. International New Venture.....	16

### CHAPTER THREE: METHODOLOGY

3.1 Introduction.....	27
3.2. Approach of the Study.....	28
3.3. Data Collection.....	30
3.4. Population of the Study.....	31
3.5. Data Analysis.....	31

## **CHAPTER FOUR: FINDINGS**

4.1. Company profile.....	33
4.2. Early beginning.....	35
4.3. Expansion drive.....	37
4.3.1 In search for innovative and quality products.....	39
4.4. Growth strategy.....	41
4.4.1 Acquisition.....	42
4.4.2 Organic Growth.....	42
4.5 Capitalise on unlikely opportunities.....	44
4.6 Competing in Globalised markets.....	45
4.7 Challenges ahead.....	48

## **CHAPTER FIVE: CONCLUSION**

5.1. Conclusion .....	50
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## References

## **LIST OF FIGURES**

Figure 1: An exploratory resource-based model of early internationalizing firms

Figure 2: Type of case study

Figure 3: Steps of Case Study Methodology

Figure 4: Top Glove's expansion in global market share

Figure 5: Global annual demand and Top Glove growth overview

Figure 6: Production Cost

## LIST OF TABLES

Table 1: Top five global players

Table 2: Malaysia's top 10 export destinations 2008

Table 3: Malaysia's export of rubber gloves

Table 4: Integrated model

Table 5: Company's facts

Table 6: Awards and recognition

## **CHAPTER 1**

### **INTRODUCTION**

This chapter introduces the research and the background by presenting the concept of internationalization and international new venture (INV). It also presents the current environment of rubber glove sector in Malaysia.

#### **1.1 International Business**

Globalization is not a new concept; however, there are relatively new factors that have contributed to its recent rise to prominence, such as the opening of new markets for businesses, and new technology, which have resulted in a major expansion of international business. It used to be only select few Malaysian companies had the resources to venture abroad. Overseas ventures were a game only for the big players. Nowadays, internationalization is almost necessity for any Malaysian company looking for growth in profit. Malaysian companies are looking abroad to take advantage of the globalization following the rising labour costs and a limited domestic market – Malaysia only has 22 million people compared to countries like India and China which each has more than 1 billion people. There is also another factor to be considered. Liberalization also forces open markets, giving more opportunities and competition around the globe in the spirit of globalization. Increasingly more foreign companies are coming to Malaysia hence the competition is also becoming stiffer in the domestic market.

Indeed the world has been seen “flattened” by the impact of globalization, that global leaders, global managers and businessmen see it as a scenario that may never go away. Whether we see it as a threat or an opportunity depends on how we are prepared to

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