American Connector Co. 1) Evaluate ACC’s operations strategy (using the framework of Chapter 1) and contrast it with DJC’s. 2) How big is the cost difference between DJC’s plant and ACC’s Sunnyvale plant? Consider both DJC’s performance in Kawasaki and its potential in the United States. 3) What accounts for these differences? How much of the difference is inherent in the way each of the two companies competes; that is, how much is a function of the strategic competitive positioning decision? How much is due strictly to the differences in the operational efficiency; that is, how much can cost be improved without impacting the ability to offer its strategically chosen value proposition? Break up the cost differential between DJC and ACC for each line in the COGS and determine what amount is due to (i) volume being different from targeted volumes, (ii) operational inefficiency, and (iii) strategic positioning. 4) How serious is the threat of DJC to ACC? What should ACC’s management at the Sunnyvale plant do?