

Boston Whaler Case Questions

1. How much market power do the dealers have?
2. How much market power does Boston Whaler have?
3. How do the objectives of the dealers and BWI differ – in what ways are their goals not aligned?
4. What information will the dealers not provide accurately to BWI?
5. What information will BWI not provide accurately to the dealers?
6. What actions do the dealers take (or not take) that BWI would like to change?
7. How would increasing dealer margins (reducing the wholesale price) help solve these incentive problems and what new issues would it introduce?
8. How would guaranteeing dealers exclusive territories help solve these incentive problems and what new issues would it introduce?
9. How would long term dealer contracts help solve these incentive problems and what new issues would it introduce?
10. What other solutions can you identify?