

Case study

Chipotle Mexican Grill is a public company listed on the NYSE, founded in 1993. The highly recognizable brand is prolific in the United States with 837 company-operated units as of the end of 2008. There is one operating store in Toronto as of this time, which represents the only non-U.S. concern. There are plans to open about 120 new stores in 2009. Even though there are quite a few U.S. states in which the firm has no locations, the management team has been seriously considering an international expansion program.

Assume you have been retained by the top management team of Chipotle to evaluate its international expansion options. Management has concluded that the following options are the most promising:

1. Continue expansion throughout the United States
2. Expand into Mexico
3. Increase expansion throughout Canada
4. Expand to the United Kingdom

Working in teams, select one of the four options. Identify the factors that work either in favor of or against your strategy. Each team must prepare a strategy for expansion. Each team is to prepare a presentation highlighting the strategic advantages and disadvantages of their assigned country's opportunities and threats as regards expansion potential. Each team must also decide which corporate level strategy should be utilized if their country expansion were chosen and why.