Haier's Acquisition of GE Appliances

Jun Zhao
Governors State University

On January 15, 2016, Haier Group, China's leading home appliances maker, announced that it was going to acquire General Electric's Appliances unit for $5.4 billion. The deal was reached shortly after GE withdrew from an earlier agreement with Swedish appliance company Electrolux with a purchase price of $3.3 billion. This case analysis will explore the motives of Haier's acquisition move, benefits the acquisition will likely bring to Haier, as well as potential challenges. It also includes an analysis of the US and global home appliances markets, with in-depth analysis of key competitors in this changing market.

Keywords: Acquisition, Chinese Firms, Global Strategy, Appliances

INTRODUCTION

Haier Group announced on January 15, 2016 that it would acquire General Electric's Appliances unit for $5.4 billion. The deal was approved by the Department of Justice on March 2, and was complete in summer 2016. It was revealed that state-owned China Construction Bank, government policy lender China Development Bank, Bank of America, and Merrill Lynch have agreed to finance the buyout and offer $6 billion line of credit to Haier (Flannery, 2016). The acquired GE Appliance unit will be integrated into Shanghai-listed Qingdao Haier unit (600690) of Haier Group.

This acquisition agreement was reached shortly after GE withdrew from an earlier agreement with Electrolux to sell the appliance unit for $3.3 billion (Moffett, 2016). Electrolux's acquisition agreement encountered objection from US anti-trust regulation because Electrolux already had a sizeable market share in the US appliances sector. However, Haier's $2B premium raised questions whether the price paid for GE Appliances was too high by the Chinese appliances giant in its effort to expand its position in the US market.

THE WORLD APPLIANCES MARKET

The appliances segment contains a variety of products, including refrigerators, cooking stoves and ovens, air conditioners, and washers and dryers. Most home appliances products are big-ticket items, and majority of the larger appliances are located in the kitchen. Because of the differences in home sizes in different country markets, some product design modifications are expected to tailor to the local living conditions. For instance, homes in most Asian countries (especially Japan) and European countries are usually smaller than the ones in North America, and some do not have separate utility room where washers and dryers are normally placed in the US. As a result, smaller appliances are more in demand in these regions than in North America.

According to industry report, the home appliances industry had a global demand of $225 billion in 2013, with majority of the first time sales generated in emerging markets, such as China and India. In more developed countries, demands for home appliance products are primarily replacement needs in established households, but there were also significant sales associated with new housing development.

Despite the considerable size of the world home appliance market, the growth rate between 2008 and 2013 was merely 0.1%, largely due to the economic and financial crisis that started in the US in 2008 and spread to the rest of the world. The industry is expected to grow at about 4% in the next five years (2013-2018), with most of the projected growth coming from emerging economies (Euromonitor, 2011).

The U.S. Appliances Market

As indicated above, the US appliances market has experienced high level of saturation in recent years and majority of sales come from replacement needs. The decline in housing market that started in 2008 has certainly contributed to this trend. According to Euromonitor, between 2004 and 2013, there was a 25% decline in major appliances sales in the US. The demand is expected to grow moderately in the next few years, as US economy started to grow after recovering from the 2008 financial crisis.

In the home appliances industry, the big-ticket items such as refrigerators, washer and dryer, and cooking stoves continue to be the dominant products. According to Statista, of the $50 billion U.S. home appliances market, sales from refrigerators and freezers accounted for 34% of market sales in 2012, while washing machines accounted for 18% of the market. The rest of the market was divided between cooking stoves (14%) and clothes dryers (13%), and small electric kitchen appliances such as microwave ovens.

The US home appliances industry is highly concentrated, with a few large competitors vying for the market dominance. It was estimated that the top five home appliances makers (Whirlpool, GE, Electrolux, LG and Samsung) accounted for over 75% of the total market sales. The industry also went through some consolidations in recent years. For instance, Whirlpool, the leading appliance maker in the US, acquired Maytag in 2006 for $2.7 billion. Electrolux's failed attempt to acquire GE Appliances is another example of the trend of industry consolidation through mergers and acquisitions.

TABLE 1
U.S. APPLIANCE MARKET SHARE (PERCENTAGE OF RETAIL VOLUME)

Key Competitors	2008	2010	2013	2017
Whirlpool	36%	26%	30%	16%
GE	19%	19%	16%	15%
Electrolux	10%	8%	8.40%	NA
LG	8.50%	5%	10.00%	16%
Samsung	1.50%	2%	10.50%	19%
Haier	1.50%	1.6%	NA	NA
Others	24%	38%	21%	

Source: Statista and Nikkei Asian Review

On the buyer side, high concentration level in the home appliances distribution networks is another distinctive feature. The four major retail chains (Best Buy, Wal-Mart, Sears, and Kmart), accounted for over 70% of retail sales of home appliance products in the US. Home building commercial sales accounts for only 15% of the total market, and they use different sales outlets than the retail system mentioned above.

With strong competition from both domestic and foreign appliances makers, companies in this industry have to maintain high cost efficiency, while making sure their product designs and quality are up to the higher standards. These can only be achieved through product and process innovation, which have become the key success factor in the home appliance industry in recent years.

GE APPLIANCES: HISTORY AND CURRENT MARKET POSITION

GE Appliances is a sub-unit of GE's Home and Business Solutions, and has its headquarters in Louisville, Kentucky. It designs and manufactures refrigerators, cooking stoves, dishwashers, washers and dryers, and air conditioners. The unit has been an important part of the GE Corporation, as GE's first products were cooking appliances when the company was first founded in 1907 (Moffett, 2016). Over the next 100 years in its history, GE Appliances remained an industry leader in product innovation, being the first to introduce air conditioners (1950), the combined washer/dryer (1954), and the toaster oven (1956) to the market. Its share of the US appliances market reached was 16% in 2013, which was slightly down from 19% a few years prior (GE Annual Report).

However, over the last two decades, GE Appliances has seen stagnant performance in terms of market share and profitability. Its revenue in 2000 was $5.7 billion, reflecting a merely $0.4 billion increase over the 10 year period between 1990 and 2000. Even though sales reached $7 billion in 2007, it declined again after the financial crisis in 2008. In 2013, appliances sales were at $5.7 billion, about 19% decline from the peak level in 2007 and back to its level in 2000 (Moffett, 2016).

As a result, GE Appliances' share of GE revenue continued to shrink over the recent years. In 2013, Appliances accounted for only about 5% of GE's total revenue of $147B. Despite the recent efforts to improve efficiency and innovation, GE Appliances has been consistently one of GE's least profitable businesses, with profit margin as low as 4-5% in 2012-2014. The unit's share of GE's total profit was less than 2% in 2013. Table 2 summarizes the major units within the GE portfolio and their performance indicators between 2011 and 2014.

GE Appliances is likely the least global business unit within GE system, with more than 90% of revenue generated from the US market (Moffett, 2016). This is in stark contrast with other units in the GE portfolio, where significant shares of revenue are from their global operations. For instance, more than 75% of annual revenue for GE Oil and Gas came from markets outside of United States (GE Annual Reports).

Considering GE Appliances' declining performance and insignificant contribution to the GE portfolio, it was not surprising that GE attempted to sell the unit in 2008. However, it was an unsuccessful attempt with an $8 billion price tag. This result was not unexpected, considering the general economic situation at that time. During the following few years, GE started a reinvestment effort to revitalize the unit, with investment in process improvement and product development at its Louisville plant.

The reinvestment in GE Appliances since 2008 was massive, and consistent with GE's efforts to bring back manufacturing to the US that had been moved offshore to low-cost countries (Immelt, 2012). The investments in GEA included 10 new product platforms, with 500+ new products under the 10 platforms; six complete factory renovations, with new assembly lines and modern equipment; and adoption of lean manufacturing processes across the enterprise, $20 million in product lab upgrades, and 3D printing capability.

These massive reinvestments had helped GE Appliances improve efficiency and innovation capacity to some extent. For instance, GE's Louisville plant launched a new dishwasher manufacturing line in 2009 which reflected a 30% improvement in labor efficiency, 60% reduction in inventory, and 68% less time to manufacturing (Moffett, 2016). However, these efforts did not seem to be reversing the trend and defending GE against the changing market forces, especially the new competitions from Asian companies that were entering the world market with more competitive pricing and innovative products. Both LG and Samsung started flooding the US market with better pricing, and in some cases better product features, taking large chunk of market share from their US competitors. These dumping activities prompted US manufacturers to file complaint with the US Department of Commerce and the U.S. International Trade Commission.

Facing these changing market conditions, GE's leadership decided again to put GE Appliances on the market, at a much lower price than just several years ago. In early 2016, GE entered an agreement to sell the Appliances unit to Swedish home appliances maker Electrolux for $3.3 billion. However, the deal was blocked by US regulators under concerns of market power, because Electrolux was already a well-established market presence in the US.

TABLE 2
GE's MAJOR BUSINESS UNITS

	Revenue	(Millions)	Profit	(Millions)	ROE	
GE Segments	2014	2013	2014	2013	2014	2013
Power & Water	27,564	24,724	5,352	4,992	0.194166	0.201909
Oil & Gas	18,676	16,975	2,585	2,178	0.138413	0.128306
Energy MGMT	7,319	7,569	246	110	0.033611	0.014533
Aviation	23,990	21,911	4,973	4,345	0.207295	0.198302
Healthcare	18,299	18,200	3,047	3,048	0.166512	0.167473
Transportation	5,650	5,885	1,130	1,166	0.2	0.198131
Appliance & Lighting	8,404	8,338	431	381	0.051285	0.045694
GE Capital	42,725	44,067	7,019	7,960	0.164283	0.180634
Total	152,627	147,669	24,783	24,180	0.162376	0.163745

Source: Compiled by author from annual reports

Next, we will provide a brief analysis of the key competitors in the US appliances market.

KEY COMPETITORS IN THE US MARKET

The US appliances market is highly consolidated, with a few dominant players accounting for majority of the market. Below is a brief analysis of the top market players in this segment and their relative strengths and weaknesses especially in their globalizing efforts in this competitive market.

Whirlpool

Whirlpool has been the leading home appliances maker in the U.S. market for many years, until the leading position being taken over by Korean manufacturers Samsung and LG in 2017. In 2015, it had revenue of $21 billion, with majority of sales coming from refrigerators and washers/dryers. Whirlpool is likely the most concentrated home appliances maker in the US market, with majority of total revenue from various home appliances products.

Whirlpool started an aggressive global expansion effort in 1989, with the objective of becoming the world leader in home appliances. It made significant investments in the European market with the purchase of a majority stake in an appliance company from Phillips, and also purchased a majority stake in an Indian company. In addition, it entered into four joint ventures agreements with Chinese partners, and made significant investments in the Latin American market. However, a few years later, Whirlpool had to restructure its international operations, with decisions to dissolve two of the four joint ventures in China.

Electrolux

Electrolux, a Sweden based company, is the leading home appliances maker in the European market, with approximately 20% of the market share in the region. It makes a variety of appliances products, including cookers, ovens, dishwashers, refrigerators and freezers, air conditioners, washing machines, and smaller electronic appliances such as coffee makers and vacuum cleaners. Its 2012 sales was $16.3 (Moffett, 2016).

Until 2007, Electrolux generated nearly half of its sales in European market. Starting in 2008, the company intensified its efforts to expand into the North American market by relaunching its largest brand in the region at that time, Frigidaire. It also expanded to other markets around the world, mainly through acquisitions. It built manufacturing facilities in these markets, in order to localize product development and manufacturing to suit local demands. The company also created a global organization/unit to provide scale economies to its increasingly large foreign operations.

These global efforts seemed to have worked for Electrolux. By 2012, it generates 70% of its revenues from outside of Europe, with the majority from the US market (Moffett, 2016).

Samsung Group

As the largest company in South Korean, Samsung Group is a highly diversified conglomerate with 2010 revenue of $227 billion. It has multiple business units, in machinery, chemicals, electronics, shipbuilding, as well as financial services. Samsung Electronics (SEC) is its largest unit, including semiconductors, cell phones, TVs, LCD panels, and appliances as its key products. Samsung Consumer Electronics had annual sales of $47.8 billion in 2013. Home appliance is part of the Consumer Electronic Unit within SEC.

Samsung Appliance entered the US market in the early 199s and has been very aggressive in this market since then. Its share of the market went from only 2% in 2008 to approximately 10% in 2014 (Statista). In 2017, it took over as the No. 1 home appliances manufacturer in the US market, with close to 19% market share.

LG

LG is also a leading electronics company in South Korea, with diverse products including cell phones, home appliances, computers, and so on. In 2004, home appliance sales accounted for about 25% of LG's total revenue of $24 billion. In 2018, sales from home appliances and air solutions products accounted reached $17 billion, accounting for 30% of LG's total revenue of $54 billion (LG annual report). LG also became No. 2 home appliances seller in the US market in 2017, surpassing long-term leader Whirlpool and lagging only after Samsung (Jaewon, 2018).

The company invested in the makeover from its budget Lucky Goldstar brand in the 1990s to a more upscale LG brand, and started its global expansion into markets such as North America, China, and Southeast Asia. Within 10 years, overseas sales of appliance went from only 30% to 70% of total appliance revenues in 2001. By 2004, LG's overseas appliance sales reached about $4 billion, and in 2014, LG had occupied about 10% of the US market share.

As evident above, the US appliances market was dominated by a few established global players from the US, Europe, and South Korea as of early 2000s. As a new comer, Haier faced enormous barrier entering this highly competitive market. A brief history of Haier's success in the Chinese market and its globalizing plan would help us better understand this company's strategy in the global market.

HAIER: EARLY HISTORY AND SUCCESS IN THE CHINESE MARKET

Haier Group, founded in 1984 as a "collective enterprise" company in Shandong Province, became China's leader in the home appliances market in the emerging economy in early 2000s. Haier's success was closely related to the focus of product quality and manufacturing efficiency, two strong beliefs of Haier's Founder, Zhang Ruimin.

In 1984 there were about 300 refrigerator manufacturers in China, most producing poor-quality products at very low volume. The fragmentation of the Chinese appliance market was a result of lack of regulation in the early years after China opened its door to market competition. Mr. Zhang believed that Chinese customers would be willing to pay more for higher quality products. After a visit to Germany to learn German refrigerator manufacturing technology, he entered a technology licensing agreement with German refrigerator manufacturer Liebherr. Later, Haier also imported freezer and air conditioner production lines from Denmark and Japan, and entered joint venture agreement with Japan's Mitsubishi and Italy's Merloni. These innovative moves helped Haier acquire leading technology and product designs and position itself for a leadership position in the Chinese market early on.

The investment on quality and product reputation paid off, with Haier's refrigerators winning gold medal for quality in a national refrigerator competition. As the Chinese market went through a consolidation in 1989, Haier resisted the urge to lower price of its product to remain more competitive. Rather, it raised prices for its product, and was able to command a 15% premium even during a price war (Yi, & Ye, 2003).

After becoming China's leading refrigerator manufacturer in 1991, Haier started to diversify into other appliances products, including air conditioner and freezers. In order to finance capital investment needed to support its aggressive acquisitions and internal growth plans, Haier Group turned to the emerging

Chinese stock market in 1993 and raised RMB 369 Million through the IPO of A shared (which are limited to investors from mainland China).

Haier continued to grow through acquisitions and internal expansion throughout the 1990s, and by 1997, it has taken over 15 companies in accordance with Haier's acquisition strategy. Zhang once commented that the guiding principles of these acquisition efforts was that "We buy only those firms that have markets and good product but bad management. Then we introduce our own management and quality control to turn them around" (South China Morning Post, 1997).

At the same time, the number of Chinese home appliance manufacturers shrank and the market went through a much-needed consolidation. By mid-1990s, the leading 10 refrigerator manufacturers accounted for 80% of the Chinese market, up from 50% at the beginning of the decade.

Haier's early experience in managing acquisitions of poor-performing businesses would help its later efforts in the global market.

In 2001, Haier became the second largest refrigerator maker in the world, with 5.3% market share (China Daily, 2012), according to Euromonitor. This was made possible through CEO Zhang's "Developing Abroad and Deepening at Home" strategy, which started in 1994. Next, a closer look at Haier's global expansions, especially in the U.S. market, will provide some insights to the factors that lead to Haier's success in global market and challenges they face.

HAIER'S GLOBAL EXPANSION AND CHALLENGES IN THE US MARKET

In 1997, CEO Zhang Ruiming announced his "three thirds" goal: one-third of Haier's revenue will come from goods produced and sold in China, one-third produced in China and sold overseas, and one-third produced and sold overseas (Khanna, Palepu, and Vargas, 2012). This was an ambitious goal, considering the fact that in 1998, Haier's international sales (mainly concentrated in Europe and the US) accounted for merely 3% of its total revenue. However, with aggressive overseas strategy implemented since then, Haier has made significant stride in its path to become a global brand. As of 2004, its international revenue accounted for about 17% of total revenue (Haier Annual Report). Globally, Haier ranked third in white goods revenues, and was the second largest refrigerator manufacturer with about 6% of the global market, behind Whirlpool and ahead of Electrolux, Kenmore, and GE (Asia Pulse, 2004). Ten years later in 2014, the share of international sales reached 40% of Haier's total revenue (Haier Annual Report).

Haier's international expansion started as a contract manufacturer for multinational firms in the early 1990s. It first exported to the United Kingdom and Germany, then to France and Italy. It also entered into joint venture agreement to explore foreign markets, first with Mitsubishi in 1994 to set up China's largest air conditioner plant in Shandong Province. Haier made history in 1995 when it became one of the first Chinese companies to engage in foreign direct investment (FDI), with the setup of a refrigerator and air conditioner plant in Indonesia through a joint venture agreement with a local firm.

Haier organized its overseas sales into five regional markets: The Americas, Europe, the Middle East, Southeast Asia, and East Asia. The Americas region (primarily the US market), accounted for about 30% of overseas revenue, with another 30% coming from European market, and the other three regions combined made up the remaining 40% in 2004. The overseas revenue accounted for 40% of Haier's global sales in 2017.

Haier's global expansion strategy seemed to defy conventional wisdom and focused on the "difficulty" developed markets first, rather than the relatively "easy" emerging markets such as Southeast Asia, as many Chinese companies chose to do when expanding globally. In 2004, about 70% of Haier's overseas sales came from the developed markets of Europe, the US, and Japan (Khanna et al, 2012). As CEO Zhang Ruimin explained, "We go to easier markets after we first penetrate difficult markets such as the United States and Europe. These are much bigger markets. They are also the home markets of our largest global competitors, and we believe that if we can succeed there, we can succeed in easier markets" (Khanna et al, 2012)

Following this strategy, Haier entered the US market in 1999 via a niche position in the compact refrigerator segment of the market. By focusing on this niche segment that's largely ignored by major appliance manufacturers, Haier was able to have over 30% of market share in compact refrigerator segment. It later added wine cellars and other niche products targeting college students primarily.

A major breakthrough in the US market was its relationship with Wal-Mart and Best Buy. Starting with smaller appliances such as wine cellars and compact refrigerator/air conditioner unit, Haier was able to utilize the relationship with these major retail chains and added larger appliances it tried to sell in the market. Haier was able to add regular refrigerators, air conditioners, washing machines and other products later.

Haier's efforts in the US market was guided by founder Zhang Ruimin's belief that "All success relies on one thing in overseas markets – creating a localized brand name. We have to make Americans feel that Haier is a localized US brand instead of an imported Chinese brand" (Khanna, Palepu, and Vargas, 2012). In 1999, Haier established a production center in South Carolina with $40 million investment in 1999. It also opened a research and development center in the state of Indiana around the same time.

Unfortunately, after more than 15 years of operations in the US, Haier's US revenue was only $500 Million in 2015, and its market share was only about 3%. Haier's strength in its domestic market, including low labor cost, increasing R&D intensity, and considerable economics of scale, doesn't seem to help its penetration in the US market, which is dominated by the few major manufacturers including GE, Whirlpool, and in recent years, LG and Samsung, as described in an earlier section. Haier needs to change its strategy if it intends to expand its share in the US market. The 2016 acquisition of GE Appliances is the move towards this direction.

TABLE 3
TIMELINE OF HAIER'S GLOBAL EXPANSION

1984	Founded as Qingdao General Refrigerator Factory under new CEO Zhang Ruimin
1991	Haier became China's leading refrigerator producer; Qingdao Refrigerator Factory merged with Qingdao Air Conditioner General Factory
1993	Haier begins to produce for foreign MNEs under OEM contracts. JV with Mitsubishi Heavy Industries to produce air-conditioners in China
1994	Haier entered the US market by selling its compact refrigerator models through Welbilt Appliances; Later started selling goods to Wal-Mart
2001	Established a $40 million industrial park and refrigerator factory in South Carolina
2004	Haier recognized as one of world's Top 100 brands (only one from China)
2010	Haier Electronics Group, ranked No. 28 on BusinessWeek's 2010 list of the most innovative firms

Source: Various, compiled by author

HAIER's ACQUISITION OF GE APPLIANCES: CHALLENGES AND EXPECTED BENEFITS

Although Haier's acquisition of GE Appliance seems to be counter-intuitive (especially considering the very small market presence Haier has achieved in the US market), this move is consistent with Haier's effort in international expansion for the past two decades. Rather than continuing with the "green field" venture approach it used in the US market for the past 15 or so years, acquiring an existing business with a prominent market position, established production facilities, technological knowhow and loyal customer base, could be a much more effective approach to gain access to the US market if implemented properly. This is also consistent with CEO Zhang Ruimin's belief that a "localized US brand" would bring success to Haier's efforts expanding in the challenging US market. With 150 years of successful history and established brand name, as well as well-developed manufacturing and distribution network, GE Appliance is a perfect target for this strategy.

Of course, there remains question about the premium price Haier agreed to pay for the acquisition, especially when comparing to the $3.3 billion GE agreed to sell the same unit to Electrolux earlier that year. Why was Haier willing to pay the premium? What are they trying to gain access to through the acquisition? Will they be able to achieve the expected return after the purchase is completed?

As indicated above, GE Appliance is one of the most "domestic" units within GE portfolio, with over 95% of sales generated from the US market. With its long history in the US market, it is predictable that Haier will benefit from the well-established supplier and buyer networks GE has developed in the US. One of the major challenges Haier encountered in the US market during its 10+ years of expansion here was the limited access it has to the highly concentration retail distribution systems. The acquisition of GE Appliances will provide a ready solution to this problem, and will open doors for Haier's other products into the US market.

Even though at the initial stage of post-acquisition integration, Haier will keep most of the production in GE Appliances' US production center, it is foreseeable that Haier will move some of the production back to China to take advantage of the much lower labor cost there. It is possible that Haier will utilize its huge retail network in the Chinese market to introduce GE products to the consumers in that market. As of now, GE appliances have very small presence in this emerging market, but with its premium brand image, it is predictable that Haier will be able to expand its sales in the Chinese market, as well as other Asian markets that have large demand for home appliances (such as India and Southeast Asian countries).

Haier is not the first Chinese company to acquire a highly successful U.S. competitor in the recent history. Lenovo, a leading Chinese PC manufacturer, made history in 2005 by acquiring the PC unit from IBM for $1.75 billion. More than 10 years later, Lenovo was able to maintain the 20% or so market share IBM PC had and became the No. 1 PC manufacturer in the world market (Quelch & Knoop, 2006).

Compared to Lenovo, Haier has more experience managing U.S. operations when it acquired GE Appliances, thanks to its 15 years of experience in the U.S. market. It is likely that integration of GE Appliances will be a reasonably smooth process, despite unique challenges including learning to manage unionized labor, and integration of GE systems with Haier's internal systems.

TWO YEARS LATER: ACCOMPLISHMENTS AND NEW CHALLENGES

Two years after the acquisition, has Haier achieved some of the goals it set forth in the original plan for the acquisition? With the changing political, economic and trade environment in the US and China, what are some new challenges it faces in its efforts to realize the intended benefits of the acquisition?

TABLE 4
HAIER KEY FINANCIAL INDICATORS, 2015-2017

	2017	2016	2015
Revenue (Millions, RMB)	159,254	119,132	89,797
Net Profit (Millions, RMB)	6,925	5,041	4,303
Return on Sales	4.3%	4.2%	4.8%
Net Cash Flow (Millions, RMB)	16,086	8,135	5,604
Total Assets (Millions, RMB)	151,463	131,469	75,960
Earnings Per Share	1.13	0.83	0.71

Source: Haier Annual Report

REFERENCES

Asia Pulse (2005). *Business in China – The Next Stage*, March 17, 2015. Retrieved November 2, 2018, from http://www.factiva.com

Euromonitor International. (2011). Brand Shares Ranking (by Global Brand Name). Retrieved July 2016, from hppt://www.euromonitor.com

Flannery, R. (2016). *Haier To Buy GE Appliances For $5.4B In China's 2nd Big U.S. Acquisition This Week.* Forbes.com (https://www.forbes.com/sites/russellflannery/2016/01/15/haier-to-buy-ge-appliances-for-5-4b-in-chinas-2nd-big-u-s-acquisition-this-week/#30a741da3c24)
Haier Annual Report (2013-2017). Retrieved from http://www.haier.hk/en/investment_finance_report.html#report

Immelt, J. (2012, March). The CEO of General Electric on Sparking an American Manufacturing Renewal. *Harvard Business Review*.

Jaewon, K. (2018). *Samsung, LG lead the pack in US home appliance market*. Nikkei Asian Review. Retrieved from https://asia.nikkei.com/Business/AC/Samsung-LG-lead-the-pack-in-US-home-appliance-market

Khanna, T., Palepu, K., & Vargas, I., (2012). Haier: Taking a Chinese Company Global in 2011. *Harvard Business School Case*, 9-712-408.

Moffett, M. H. (2016). Electrolux and GE Appliances. *Harvard Business School Case*, TB04410.

Quelch, J., & Knoop, C., (2006). Lenovo: Building a Global Brand. *Harvard Business Case*, 9-507-014.

South China Morning Post. (1997, September 14). Haier Group Buys Up Ailing State Firms, Retrieved November 1, 2004, from Factiva, http://www.factiva.com

Yi, J., & Ye, S. (2003). *The Haier Way: The Making of Chinese Business Leader and a Global Brand*. Dumont, New Jersey: Homa and Sekey Books, pp. 30 and 65.