

Dow Chemical SWOT Analysis

“SWOT is an acronym for the internal Strengths and Weaknesses of a firm and the environmental Opportunities and Threats facing that firm. SWOT analysis is a widely used technique through which managers create a quick overview of a company’s strategic situation. The technique is based on the assumption that an effective strategy derives from a sound “fit” between a firm’s internal resources (strengths and weaknesses) and its external situation (opportunities and threats). A good fit maximizes a firm’s strengths and opportunities and minimizes its weaknesses and threats. Accurately applied, this simple assumption has powerful implications for the design of a successful strategy.”

Dow Chemical

The Dow Chemical Company (Dow) is a diversified chemical company manufacturing chemicals, plastics, and agricultural products. The company has a global presence. The company operates over 150 manufacturing operations in over 35 countries and supplies over 3,100 products. It is one of the largest producers of chemicals and plastics in the US in terms of sales, with total sales of \$53.5 billion worldwide in 2007. The global operations not only provide protection against unfavorable forces in specific markets but also enable it to benefit from opportunities available in various industries. However, rising oil and gas prices, derivatives of which are used as feedstock by the company, may affect the company's bottom-line growth.

Dow Chemical SWOT Analysis

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Location of Factor	TYPE OF FACTOR	
	Favorable	Unfavorable
Internal	Strengths <ul style="list-style-type: none"> ➤ Global operations ➤ Diversified product portfolio ➤ Strong R&D capability 	Weaknesses <ul style="list-style-type: none"> ➤ Declining profits and margins ➤ Lawsuits
External	Opportunities <ul style="list-style-type: none"> ➤ Acquisition of Rohm & Haas ➤ Growth in automobile industry ➤ Global petrochemical joint-venture 	Threats <ul style="list-style-type: none"> ➤ High feedstock prices ➤ Environment compliance costs ➤ Risks associated with conducting business outside the US

www.YOU