

**Massachusetts Institute of Technology
Sloan School of Management**

15.434 Corporate Finance
Spring 2001

Assignment for Wednesday, April 25, 2001

Case: Goodyear: Restructuring

Questions:

1. What were the challenges facing Goodyear in the 1970's? In the 1980's? How successful was Goodyear in meeting them?
2. Why did Goldsmith choose Goodyear instead of another tire manufacturer like Firestone, Goodrich, or Uniroyal?
3. Evaluate Goodyear's response to Goldsmith's bid. What should they do next? What should Goldsmith do if he wins control of Goodyear.

Skim Grinblatt and Titman Chapter 19