



ABSTRACT

The notion of “Big fish eats little fish” has been fully demonstrated both in nature and in the business world. In nature, there exists (typically) a hierarchy of feeding structure, known as the food chain. At each trophic (feeding) level, organism depends on the level(s) below it as the primary food source or becomes the food source to the level(s) above it. In practice, many organisms may feed at several different trophic levels, resulting in a complex set of feeding relationship, known as the food web. The concept of food web may be transliterated into the model of economy. In the business world, competitions are the games among different companies, within or across business sector or industry, that strive to become the market leader by gaining the most market shares. Predation exists as a form of hostile competition that commonly occurs through acquisitions and mergers, takeovers and buyouts. Vertical integration and horizontal integration are strategies for extending the business and reducing the competition in securing sources of supply or market. Analogous to the food web, in the business world, there are producers and consumers or combination of both whose relationships are networks of exchange based upon supplies and demands. This *supply web* is similar to the complex feeding relationships in a food web. Within a *supply web*, companies can be grouped together into different trophic levels. The relationships between the different trophic levels are unidirectional or bi-directional depending on the strategic partnerships between business entities. Understanding these forces will enable one to predict the

effects and impacts in a *supply web* due to changes to any particular business entity. This study is especially useful for evaluating a company's position by understanding its interaction within a *supply web*. Other practical applications from this study could be applied in strategic management, investment management, and macroeconomics. For years, scientists had studied food chains and their interactions in nature and were able to create the different complex food webs. It would be sensible to figure out our own food webs by understanding the existence of business entities, their fitness and interactions from a global perspective. As *genome* is the genetic map of an organism, *whonome* is the map to all business entities (globally) glued together by their complex interactions.

Figure 1 illustrates a simple *supply web*.

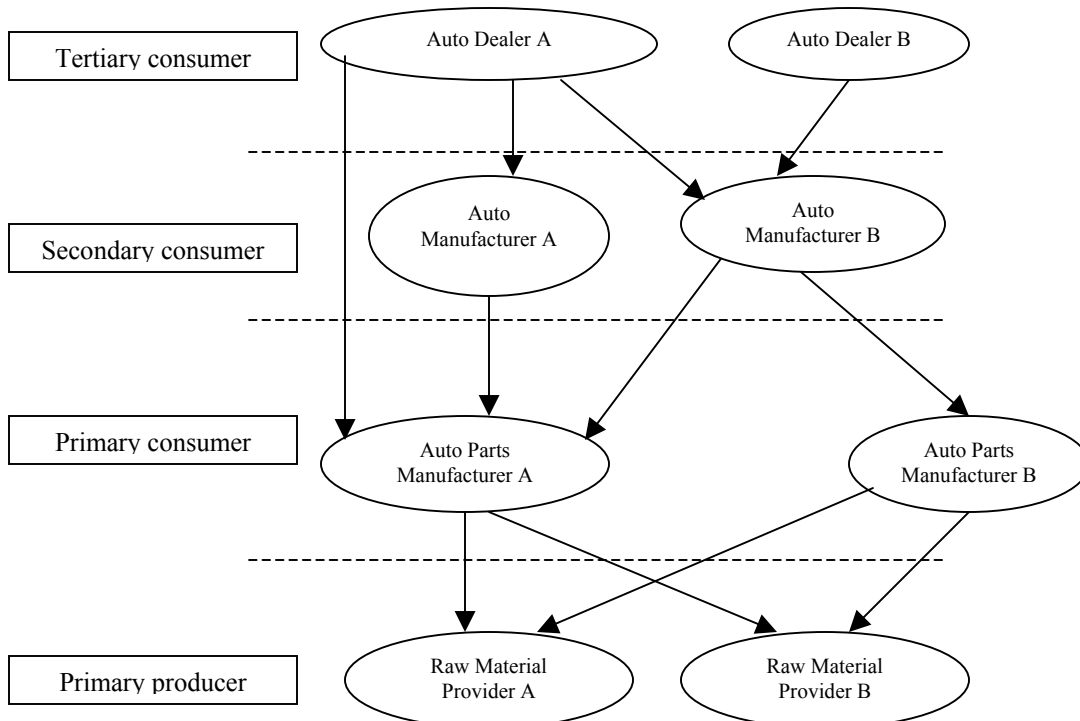


Figure 1. A simple model of an automotive supply web