**Homework Assignment IV**

**Course Number: 210211.10**

**Course Name: Entrepreneurship**

**Chapters 11-15**

**PART III: MOVING FROM AN IDEA TO AN ENTREPRENEURIAL FIRM**

Following are 33 questions each worth five points. Circle or highlight the answer you think most correct.

**Chapter 11 Unique Marketing Issues**

1) Real Time Cases, the company profiled in the opening feature in Chapter 11, sells live business cases for classroom use. According to the case, which of the following was **NOT** a marketing strategy for the firm?

A) Attend trade conferences to meet CEOs.

B) Issue press releases through local and regional news outlets.

C) Apply for every start-up competition and pitch event available.

D) Reach out to personal networks.

E) All of the above were marketing strategies used by the firm.

2) Kyle White owns a sporting goods store that appeals to hunters and fishers. The market that Kyle is trying to appeal to is called his \_\_\_\_\_\_\_\_ market.

A) focal

B) objective

C) target

D) critical

E) intention

3) The first step in selecting a target market is to study the industry in which the firm intends to compete and determine the different potential target markets in that industry. This process is called \_\_\_\_\_\_\_\_.

A) market positioning

B) market splitting

C) market targeting

D) market subdividing

E) market segmentation

4) Which of the following is the correct sequence of events to the process of selecting a target market and position strategy?

A) Create a unique positioning strategy, Select a target market, Segment the market

B) Segment the market, Create a unique positioning strategy, Select a target market

C) Segment the market, Select a target market, Create a unique positioning strategy

D) Select a target market, Create a unique positioning strategy, Segment the market

E) Create a unique positioning strategy, Segment the market, Select a target market

5) Katherine Ford is thinking about starting a computer company. After doing some research, she has decided that the computer industry can be divided into the following product categories – handheld computers, laptops, tablet computers, PCs, work stations, minicomputers, mainframes and super computers. She is now trying to decide which product category she is the most interested in competing in. The process that Katherine is going through is called market \_\_\_\_\_\_\_\_.

A) splitting

B) subdividing

C) segmentation

D) dividing

E) separating

6) Once a firm has segmented the market, the next step is to \_\_\_\_\_\_\_\_.

A) decide on a position within the segment

B) settle on pricing

C) select a target market

D) establish the company's brand

E) immediately decide on the "4Ps" of the marketing strategy

**Chapter 12 The Importance of Intellectual Property**

1) A grant from the federal government conferring the rights to exclude others from making, selling, or using an invention for a specific period of time is referred to as a(n) \_\_\_\_\_\_\_\_.

A) trademark

B) patent

C) idea secret

D) innovation

E) copyright

2) Which form of intellectual property protection is the only one expressly mentioned in the original articles of the U.S. Constitution?

A) Assurances

B) Patents

C) Copyrights

D) Trade secrets

E) Trademarks

3) The first patent, which was granted for a process of making potash, an ingredient in fertilizer, was signed by \_\_\_\_\_\_\_\_.

A) John Adams

B) Thomas Jefferson

C) Abraham Lincoln

D) Theodore Roosevelt

E) George Washington

4) The sole entity responsible for granting patents in the United States is the \_\_\_\_\_\_\_\_.

A) U.S. Patent and Trademark Office

B) Federal Patent, Copyright and Trademark Office

C) Securities and Exchange Commission

D) U.S. Department of Patents

E) U.S. Treasury Department

5) Since the first patent was granted, there have been \_\_\_\_\_\_\_\_ patents granted in the United States.

A) 526,000

B) 2.3 million

C) 4.6 million

D) 9.6 million

E) 12.2 million

6) Which of the following selections correctly identifies the three types of patents?

A) Manufacturing; process; plant

B) Usefulness; purpose; genetic

C) Explicit; implicit; plant

D) Utility; design; plant

E) Manufacturing; service; other

7) \_\_\_\_\_\_\_\_ patents are the most common type of patent and cover what we generally think of as new inventions.

A) Value

B) Product

C) Method

D) Utility

E) Design

**Chapter 13 Preparing for and Evaluating the Challenges of Growth**

1) MATI Energy, the company profiled in the opening feature of Chapter 13, sells energy drinks based on guayusa, a Latin American plant. With respect to growth, \_\_\_\_\_\_\_\_ is the hallmark of MATI.

A) circumspection

B) aggression

C) self-imposed limitation

D) externally imposed limitation

E) tenacity

2) Jeremy Westbrook owns an organic food company which has increased both its profits and revenues over an extended period of time. Jeremy's firm is experiencing \_\_\_\_\_\_\_\_ growth.

A) persistent

B) unremitting

C) sustained

D) unbroken

E) moderate

3) In regard to firm growth, evidence shows that \_\_\_\_\_\_\_\_.

A) relatively few firms generate sustained growth

B) the majority of firms generate sustained growth

C) about 50 percent of firms generate sustained growth

D) manufacturing firms tend to generate sustained growth while service firms do not

E) service firms tend to generate sustained growth while manufacturing firms do not

4) Which of the following statements regarding firm growth is incorrect?

A) Most entrepreneurial firms want to grow.

B) Growth in sales revenue is a poor indicator of an entrepreneurial firm's potential to survive today and be successful tomorrow.

C) Firm growth is exciting.

D) Many entrepreneurial firms have grown quickly, producing impressive results for their employees and owners.

E) Growing a business successfully requires preparation, good management, and an appreciation of the issues involved.

5) According to the textbook, most entrepreneurial firms \_\_\_\_\_\_\_\_.

A) are ambivalent about growth

B) want to grow

C) do not want to grow

D) want to grow if the economy is strong but do not want to grow if the economy is weak

E) want to grow if they are a service firm but do not want to grow if they are a manufacturing firm

6) According to the textbook, the three important things that a business can do to prepare for growth are \_\_\_\_\_\_\_\_.

A) plan for growth, adopt a growth-oriented business model, and stay committed to a core strategy

B) appreciate the nature of business growth, stay committed to a core strategy, and plan for growth

C) develop a viral marketing campaign, stay committed to a core strategy, and adopt a growth-oriented business model

D) develop business partnerships, diversify beyond the company's core strategy, and appreciate the nature of business growth

E) retain or hire one or more business growth consultants, diversify beyond the company's core strategy, and plan for growth

7) According to the textbook, the businesses that have the potential to grow the fastest over a sustained period of time are ones that \_\_\_\_\_\_\_\_.

A) solve a significant problem or have a major impact on their customers' productivity or lives

B) are cost leaders and promote themselves aggressively

C) have a major impact on their customers' lives and sell high quality products

D) take advantage of environmental trends and are cost leaders

E) solve a significant problem or sell high quality products

**Chapter 14 Strategies for Firm Growth**

1) Filtereasy, the company profiled in the opening feature of Chapter 14, provides a monthly subscription service for \_\_\_\_\_\_\_\_.

A) water filters

B) air filters

C) any household filters

D) coffee filters

E) oil filters

2) Shelby Collins owns a firm that designs and sells women's clothing. She is currently trying to grow her firm by developing new product lines. Shelby is pursuing a(n) \_\_\_\_\_\_\_\_ growth strategy.

A) in-house

B) center

C) domestic

D) external

E) internal

3) New product development, other product-related strategies, and international expansion are examples of \_\_\_\_\_\_\_\_ growth strategies.

A) external

B) domestic

C) primary

D) internal

E) in-house

4) Internally generated growth is often called organic growth because it does not rely on \_\_\_\_\_\_\_\_.

A) outside intervention

B) its own skills and capabilities

C) external funding

D) internal leadership

E) internal design expertise

5) Which of the following is an example of an external growth strategy?

A) Geographic expansion

B) Improving an existing product or service

C) Increasing the market penetration of an existing product or service

D) Extending product lines

E) Strategic alliances

6) Nest Labs, Zappos and Sir Kensington's are examples of firms that are growing via \_\_\_\_\_\_\_\_ growth strategies.

A) in-house

B) external

C) internal

D) central

E) derivative

**Chapter 15 Franchising**

7) A \_\_\_\_\_\_\_\_ franchise is an arrangement under which the franchisor grants to the franchisee the right to buy its products and use its trade name.

A) product and trademark

B) product extension

C) business format

D) production plus

E) business design

8) General Motors operates a \_\_\_\_\_\_\_\_ franchise system.

A) product format and trademark

B) product extension

C) product and trademark

D) business format

E) business format and trademark

9) James Ryan has been a Coors Beer distributor for the past 20 years. James owns a \_\_\_\_\_\_\_\_ franchise.

A) business format

B) product and trademark

C) business design

D) product plus

E) product and business format

10) Which of the following statements is incorrect regarding product and trademark franchises?

A) Rather than obtaining a royalty or franchise fee, the product and trademark franchisor obtains the majority of its income from selling its products to its dealers or distributors at a markup.

B) Ford Motors establishes product trademark rather than business format franchises.

C) Product trademark franchises are more popular than business format franchises.

D) Product and trademark franchisees are typically permitted to operate in a fairly autonomous manner.

E) A product trademark franchise typically connects a single manufacturer with a network of dealers or distributors.

11) Melanie Jacobs recently opened a Papa John's franchise. So far, she is very satisfied with Papa John's because in exchange for an initial franchise fee and an ongoing royalty payment, Papa John's has provided Melanie a formula for doing business along with training, advertising, and other forms of assistance. Melanie purchased a \_\_\_\_\_\_\_\_ franchise.

A) business extension

B) formula driven

C) sales extension

D) product and trademark

E) business format

12) Which of the following statements is correct regarding business format franchises?

A) Business format franchises are less popular than product and trademark franchises.

B) A business format franchise can be very rigid and demanding.

C) Agricultural machinery dealerships and soft-drink bottlers are well-known examples of business format franchises.

D) Business format franchises are illegal in some states.

E) The business format franchisor obtains the majority of its income from selling its products to its dealers at a markup.