

MBIB 3001

**M.B.A. DEGREE EXAMINATION,
DECEMBER 2015/JANUARY 2016.**

Third Semester

International Business

INTERNATIONAL BUSINESS ENVIRONMENT

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following

1. What do you mean by International business environment?
2. Explain the functions of World Bank?
3. What are the objectives of International Development Association?
4. Explain about micro and macro business environment.
5. Define MNCs and explain its types.

6. What are the objectives of International Commodity Agreements (ICA).
7. Give a note on PEST analysis?
8. Give a brief note on FDI in India.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Explain the framework for analyzing the International business environment in detail.
10. What is MIGA? Discuss its objectives and workings.
11. Discuss the objectives IMF. What is its contribution to the regional development of India?
12. What is WTO? Discuss its functions and objectives.
13. Discuss the functions of UNCTAD. Explain its basic principles.
14. Explain the advantages of MNCs for Host Country.

proud of our nationality, we should not be ashamed of it. In fact many times we have been reluctant to use home country ideas overseas, to our detriment, specially in our US subsidiary. Our country produces good executives, who tend to stay with us a long time. It is harder to keep executives from the United States.

Questions

- (a) Which company is really multinational?
- (b) What are the attributes of a true MNC?

- 15. Explain the various theories of foreign investment
- 16. Briefly discuss on the instruments used by the government to control trade?

PART C — (1 × 20 = 20 marks)

Case Study – Compulsory

- 17. Four senior executives of the world's largest firms with extensive holdings outside the home country speak:

Company A: "We are a multinational firm. We distribute the products in about 100 countries. We manufacture in over 17 countries and do research and development in three countries. We look at all new investment projects both domestic and overseas using exactly the same criteria". The executive from Company A continues, "of course most of the key posts in our subsidiaries are held by home-country nationals. Whenever replacements for these men are sought, it is the practice, if not the policy, to look next to you at the

head office and pick someone (usually a home country national) you know and trust".

Company B: "We are a multinational firm. Only 1% of the personnel in our affiliate companies are non-national. Most of these are US executives in temporary assignments. In all major markets, the affiliate managing director is of the local nationality". He continues, "of course there are very few non Americans in the key posts at headquarters. The few we have are so Americanized that we usually do not notice their nationality, unfortunately you cannot find good foreigners who are willing to live in the United States, where our headquarters is located. American have the drive and initiative we like. Infact, the European nationals would prefer to report to an American rather than to some other European".

Company C: "We are a multinational firm. Our product division executives have world wide profit responsibility. As our organizational chart shows, the United States is just one region on a par with Europe, Latin America, Africa etc. in each

division". He continues, "The worldwide product division concept is rather difficult to implement. The senior executives in charge of these divisions have little overseas experience. They have been promoted from domestic posts and tend to view foreign consumer needs as really basically the same as ours. Also, product division executives tend to focus on the domestic market because the domestic market is larger and generates more revenue than the fragmented foreign markets. The rewards are for global performance; but strategy is to focus on domestic. Most of our senior executives do not understand what happens overseas and really do not trust foreign executives, even those in key positions".

Company D. (non - American): "We are a multinational firm. We have at least 18 nationalities represented at our headquarters. Most senior executives speak at least two languages. About 30% of our staff at headquarters are foreigners". He continues, "since the voting shareholders must by law come from the home country, the home country's interest must be given careful consideration. But we are

get answers, and share information about eBay. Other members usually quickly answer the questions posed in this area, which saves eBay customer service time and money.

The forums are not moderated by eBay, but customer service representatives are present and will often post to the chat rooms and discussion boards. Listening to the customer comments and feedback has proven very beneficial for the company. By using the interactive technologies to foster input from customers, eBay is leveraging this strength for a competitive advantage over traditional retailers, who do not have this capability readily available.

Questions :

- (a) eBay's mission is to provide a global trading platform where practically anyone can trade practically anything. Analyze the initiations taken up by eBay to accomplish its mission.
- (b) eBay was successful in becoming a leading service provider to its customers. Discuss the factors that ascertain high quality of service.

MBIB 3002

M.B.A. DEGREE EXAMINATION,
DECEMBER 2015/JANUARY 2016.

Third Semester

International Business

MANAGEMENT OF MULTINATIONAL
CORPORATIONS

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What are the types of international business?
2. Elucidate the significance of MNCs.
3. What is comparative management? Describe its nature.
4. Bring out the business benefits of CSR.
5. Define centralized and decentralized decision making. Exemplify the advantages and disadvantages of both.

6. Describe internationalization of business by FDI.
7. Clarify the liberations for foreign based MNCs in India.
8. List down the reasons for growth of MNCs in India.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Briefly explain the following :
 - (a) Mergers.
 - (b) Amalgamations.
 - (c) Acquisitions.
 - (d) Joint Ventures.
 - (e) Demergers.
10. Explain the types of international strategies.
11. Describe different organization structures for an MNC.
12. What are the advantages and disadvantages of MNCs in India?
13. Explain the elements of International marketing.

actual answer within 24 to 48 hours in most cases, often even faster. The quality assurance department monitors the customer service representatives' email replies to make sure that all inquiries are being answered appropriately. Another tool used to measure the quality level of customer service is email surveys, sent to customers who have requested and received email support.

Customers can also receive assistance through eBay's live help capabilities, a software solution provided by LivePerson, Inc. The live help tool uses instant messaging technology to enable the customer and an eBay service representative to communicate online in a real time chat environment to resolve their inquiry. LivePerson also has some other useful applications, it allows eBay to monitor and gather information to use to report on chat traffic, customer service performance and customer satisfaction, and has features to support special promotions. This program follows eBay's privacy policies by working in conjunction with their customer profiles notification preferences.

Another means of fast customer support is the "Community Answer Center". This area is a forum where eBay members can use discussion boards and chat rooms to ask questions, give or

them sorted into an extended A-Z index, or they can enter a topic into the "search help" box in order to generate a list of subjects.

If the user either doesn't want to use the FAQs or cannot find the answer they need, there is an option for the user to click on a "Contact Us" link on every help page. This is where a person can send an email to eBay's customer service representatives, who are located in customer support centers in Burnaby, British Columbia; Salt Lake City, UT; Omaha; and Berlin, Germany. A second European customer support center is planned for Dublin, Ireland by the end of 2005. The "Contact Us" hyperlink directs web users to an online email form. The first part of this email submission form is three pull down charts in which the user can narrow down the topic of their question, so that the email can be directed, using an email filtering technology, to a customer service representative who is trained especially in that area, and who would be most likely to be able to answer the question accurately.

eBay uses an automatic email response technology to immediately send a message to the email sender that the staff has received their email question. Another email is sent out with the

14. Expose a few contemporary cultural issues in management practices.
15. What is FDI? Elaborate its advantages and disadvantages.
16. Explain the life cycle of strategic alliances.

PART C — (20 marks)

Compulsory.

17. Case : Read the case carefully and answer the following questions :

The business strategy of eBay is exemplified in the company's mission statement, "eBay's mission is to provide a global trading platform where practically anyone can trade practically anything". Technology and information systems are critical to the success and future of the company. eBay does not have any physical store locations; the company's presence is that of a market space. Warehouses or inventories do not exist.

The business is based on community, and the market space is what enables this community to come together. eBay's revenue is based on commissions received from the sales that occur in their community, so the more people they can reach and the more these people are able to buy

and sell, the higher eBay's profits. eBay may collect as little as 6 percent on each sale, but most of that is profit. It's truly the sort of business that couldn't exist offline. eBay uses technology and information systems to help the community members buy and sell items online.

eBay created a developer program for businesses and individuals, for modest user fees, to incorporate "eBay" technology and functionality into their personal or business applications using eBay components and even though the architecture adheres to the principles of J2EE, the technology is available to practically any platform. The eBay API, which is the primary component, is a collection of database calls that will return results in a consistent XML based format. This allows for developers to easily incorporate the eBay API in software applications to customize or modify as desired. The API includes, but is not limited to, the following functionality: listing items for sale, viewing information for listed items, getting categories of items for sale, retrieving lists of items for sale by a specific seller, and leaving specific seller after a transaction.

The Software Developer Kit (SDK) is a wrapper application for the eBay API. It encompasses the common API functionality and exposes it using pre written code, which further simplifies use of

the API. There are two versions of the SDK, one for the Java programming language and the other for a variety of Windows programming languages including Visual Basic (version 6 and .NET), C#, and C++. While these components are useful and helpful for developers, they may not be that useful to many end users or others without the desire to deal with technology. For those, eBay created some applications to leverage the eBay technology.

Since a website cannot be successful if people cannot figure out how to use it, eBay strives to provide high quality customer service, with the help of many different technologies to provide online support, such as chat rooms, discussion boards, and Frequently Asked Questions (FAQs). The FAQ refers to a section of the eBay website that houses an extensive collection of many commonly asked user questions that are listed and categorized on their website in order to help newer users. There are some categories available in the help section that would be useful for the newest members, including "Becoming an eBay member," "Finding an Item" and "Getting Started on eBay," as well as some moderately more advanced categories of questions for more experienced users, such as "Selling" and "eBay Stores."

If the topic in the site user is looking for is not listed on the first page of categories, they can view

not British and not White"... and "we believe the foreign media must learn the fact that developing countries including a country led by a brown mortem, have the ability to manage their own affairs successfully".

The British Government responded by stating, it could not tell the British press what and that not to publish. To which the Malaysian Prime Minister replied there would be "no contracts for British press freedom to lies". At the sometime, the British Government came under attack from members of parliament in Britian, who suspected the Government acted unethically and approved the ODA hydroelectric grant to help British companies win orders in Malaysia.

Questions :

- (a) What does this case teach us about the relationship between politics and international trade?
- (b) How do you think the British Government should respond to the Malaysian action?
- (c) You are the CEO of a British Company that now faces the loss of a lucrative contact because of this dispute. What action should you take?

MBIB 3003

M.B.A. DEGREE EXAMINATION,
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Third Semester

International Business

INTERNATIONAL BUSINESS LAWS

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following.

1. What are the sources of International Business law?
2. Write a short on GATT.
3. What is TRIPS? State the new amendments.
4. What are international public and private laws?
5. Give an account on the Regulatory Framework of WTO.
6. What are the WTO provisions on Technical standards?

7. Describe the Multilateral and Bilateral treaties.
8. Give the significance of FDI inflow and outflow.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Discuss the necessity of International Business law and trace its history.
10. Discuss the GATT/WTO provisions on preferential treatment of developing countries.
11. Explain in detail about the Legal Aspects in Franchising.
12. Discuss the Regulatory Framework of Cross Border Transactions in India.
13. What is International Business Taxation? Give a brief note on tax laws regarding Electronic Commerce and Cross Border Transactions.
14. Explain the salient features of Foreign Exchange Management Act (FEMA), 1999, as amended of in 2012.
15. Explain the role of RBI in maintaining exchange rate and forex reserves.
16. Examine the recent developments in WTO provisions on granting, reducing and removing subsidies on India.

PART C — (1 × 20 = 20 marks)

Case Study – Compulsory.

17. Few years back during mid-February, the British Paper, the Sunday Times ran an article that alleged that a 1 billion sterling sale of defence equipment by British companies to Malaysia was secured only after bribes had been paid to Malaysian Government officials and after the British overseas development administration had agreed to approve a 234 million sterling grant to the Malaysian Government for a hydroelectric dam of dubious economic value. What happened next took everyone by surprise. The Malaysian Government promptly announced a ban on the import of all British goods and services into Malaysia and demanded an apology from the British Government.

Officially the ban applied only to Government orders. The private sector was free to buy as it chose. However, British companies with experience in the region were nervous that the private sector would follow the Government's lead in shunning British products. At stake was as much as 4 billion sterling in British exports and construction activities in Malaysia and a presence in one of the world's fastest growing developing economies. In announcing the ban, Malaysian Prime Minister noted that the British Media Portrays Malaysians as corrupt because "they are

MBIB 3004

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Third Semester

International Business

GLOBAL MARKETING MANAGEMENT

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following.

1. Discuss about Market Segmentation.
2. Explain the factors that determine International Marketing.
3. State the impact of economic environment on international marketing.
4. What are the characteristics of a good International Brand Name?
5. Discuss about Product Positioning.

6. What is meant by "International Advertising Standardization"?
7. Define logistics at global level.
8. Write note on Channel Structure and Selection.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Discuss the reasons why international business is much more complex today than it was twenty years ago.
10. What are the three basic principles of marketing? Select a company that you know and assess how well the company is applying these principles.
11. Explain about the impact of environment on international marketing decisions.
12. How do you develop new product in contemporary international environment. Explain with suitable example.
13. Explain about environmental influences on pricing decisions.

Questions :

- (a) What are the reasons for the highly positive response for the first batch of products?
 - (b) What was the reason for the very poor response for second batch of product?
 - (c) Why Mr. Pratap failed in his project?
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- 14. Explain the important steps to be taken for various methods of market entry, as a strategy.
- 15. Briefly explain about different type of marketing channels with global perspective.
- 16. Write a note on :
 - (a) Global Marketing
 - (b) Personal Selling
 - (c) Product Adaptation.

PART C — (1 × 20 = 20 marks)

Case study – Compulsory.

- 17. Mr. Pratap Mehta went to Saudi Arabia for the first time as a business visit in 2008. During his sojourn and Riyadh, he purchased a match box for one Riyal. He was surprised at the price of the match box as one Riyal is equal to Rs.10 (nearly) and the match box in India cost Rs.0.50. The price of match box in Riyadh was lingering in his mind that night. At one point of time he got a wonderful idea. The idea included :

- Preparing feasibility report for establishing a match box factory in Saudi Arabia.
- Importing necessary machinery from India.
- Obtaining necessary permission from the Government of Saudi Arabia.
- Selecting the market intermediaries in Saudi Arabia.
- Finally establishing the match box factory in Riyadh and Jeddah.

Mr. Pratap conducted a survey and concluded that the idea was commercially feasible and financially profitable. Immediately, he approached a consultant in Jeddah and finalized the deal of getting necessary permission from the Government of Saudi Arabia.

The consultant arranged to get all the permissions. Mr. Pratap got all the permission to establish the factory at Jeddah. Then he arranged to import the machinery from India. After importing the

machinery and equipments, Mr. Pratap established the factory and started producing the match box on a commercial scale in January 2000.

Mr. Pratap conducted another survey, and fixed the price of each match box at Riyal 0.50 as the competitors match boxes were priced at Riyal 1.00 in order to hit all the competing firms as got as market share as possible.

Mr. Pratap released the first batch of match boxes into the market in March 2000. The first batch of the match boxes were sold like hot cakes and Mr. Pratap was very much thrilled of the success of his project. He released the second batch of match boxes into market. But, unfortunately, he could not sell even a single match box of the second batch. The same was the case of the subsequent batches. Ultimately, Mr. Pratap was forced to close the factory.

MBIB 3005

**M.B.A. DEGREE EXAMINATION,
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Third Semester

International Business

EXIM FINANCING AND DOCUMENTATION

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions out of the following.

1. Give a brief note on marine insurance.
2. Elaborate on ISO quality certification.
3. What is FEMA?
4. Discuss the merits of Duty drawbacks in export promotion.
5. Write a note on Export houses.
6. Give detailed note on :
 - (a) SEZ
 - (b) EPZ.

7. What are the different types of Letter of Credit?
8. Give a detailed note on the export documentation.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions out of the following.

9. Discuss the scope of EXIM finance.
10. What is the role of clearing and forwarding agents in export trade?
11. Discuss about pre-shipment financing avenues.
12. Discuss the functions of ECGC in Export Finance. What are the political risks covered by ECGC?
13. Explain about the procedure for Import License.
14. Explain the different types of DEPB scheme.
15. Discuss about various Export Promotion Schemes in India.
16. Explain in detail about Capital Goods Licensing.

Where a word in common use and associated with a particular person, it is more difficult to establish a likelihood of mistaken impression. In the present case, the evidence led the Judge to the conclusion that, between the words 'THORPEDO' and 'TORPEDOES', the former was the more well-known and, it could be said, famous. Further, the name 'THORPEDO' conncted the idea of Ian Thorpe rather than a torpedo.

Questions :

- (i) How are trademarks relevant to the Fashion Industry?
- (ii) What can Terri Janke and Company do for your Fashion Company?

PART C — (1 × 20 = 20 marks)

Compulsory

17. In the Fashion Industry, your company's name or logo is generally its most valuable asset. However, in order to profit from your fashion brand via sales or licensing, you must first register your brand as a trade mark. A brand may consist of a combination of different features — business names, trademarks, shapes, distinctive colour schemes and labelling used to market products or services. Brands are used to distinguish and differentiate goods and services of traders in the market. Famous fashion brands in Australia include Sass & Bide, Collette Dinnigan and Alex Perry. A trademark is a word or logo that :
 - (a) Identifies one seller's goods and distinguishes them from goods sold by others;
 - (b) Signifies that all goods bearing the trade mark come from a single source;
 - (c) Signifies that all goods bearing the trade mark are of an equal level of quality; and
 - (d) Facilitates in the advertising and selling of goods. A trade mark will generally not be registrable if it is merely descriptive of the goods and services in question.

Unfortunately, many emerging fashion companies fail to trademark their name or logo. Then, after substantial money has been invested in promotions, public relations and other collateral expenditure, such as business cards, invoices and signage, the company learns an expensive lesson: their "brand name" has already been registered as a trade mark by another company and they are unable to register that particular brand name.

Some case examples to learn from...

Christian Louboutin v Yves Saint Laurent USA
Christian Louboutin shoes are instantly recognisable by their red-coloured soles. In 1997 Louboutin registered the 'red sole' as a trade mark in the USA. Recently, YSL released a red shoe (with a red sole) as part of its 2011 spring-summer collection. Louboutin alleges that this shoe infringes its 'red sole' trade mark. Though this is a US case, if this case was being decided under Australian trade mark law the following principles might be considered :

YSL would need to be using the red sole as a trade mark in order to infringe the 'red sole' trade mark. In the present case, the YSL shoe is completely red. YSL may therefore argue that the use of a red sole by YSL is not as a trade mark or brand and therefore does not infringe Louboutin's mark;

YSL has previously released shoes with coloured soles in previous collections, such as a blue-soled shoe. This may further support the argument by YSL that the coloured sole is a design element, rather than a branding mechanism. In recent developments Louboutin has initiated an action against Carmen Steffans, a Brazilian footwear designer claiming infringement of the 'red sole trade mark'. Although we are yet to hear the outcome of both cases, they illustrate the complexity involved in trade mark infringement claims and the high stakes involved when protection of a brand name is at stake. Terri Janke and Company can help you develop strategies to deter pirates, predators and poachers from the infringement of your brand name.

Torpedoes Sportswear Pty Ltd v Thorpedo Enterprises Pty Limited
Australia's swimming champion Ian Thorpe was successful in his attempt to register his nickname 'THORPEDO' for various classes of goods and services as a trade mark. Registration had been opposed by the sportswear company Torpedoes Sportswear, but the opposition was unsuccessful. Torpedoes Sportswear appealed the decision to the Federal Court, but the court rejected the appeal on the basis that the two trade marks were neither substantially identical nor deceptively similar.