MB-120

Sl.No. : **Total No. of Pages : 3**

Fourth Semester M.B.A. Degree Examination, June - 2023
(NON CBCS) (SLM Scheme)
MANAGEMENT (Compulsory)
International Business

Time : 3 Hours **Max. Marks : 80**

SECTION-A

Answer any five sub-questions. Each sub-question carries Three marks.[5 × 3 = 15]

1) a) Write a note on Comparitive Cost theory.

b) What are the advantages of International Business?

c) Distinguish between Life Time Employment to Life Time Employability.

d) Describe the methods adopted for technology transfer.

e) Define the terms :

i) BOP

ii) Current Account

iii) Capital Account

f) Write a note on GATT.

g) Write a note importance of 'FDI' in economic growth of a country.

SECTION-B

Answer any Four questions. Each question carries Five marks. [4 × 5 = 20]

2) Distinguish the following :

a) Domestic Company

b) International Company

c) Global company.

d) Transnational Company.

3) Examine Porter's competative Advantage theory.

4) Explain the following :

a) Tariffs

b) Subsidies

c) Quotas

5) GATT is responsible for the establishment of WTO-Justify.

6) Discuss TRIPS and TRIMS.

7) In e-commerce, customers' relation are in Jeopardy-Comment.

SECTION-C

Answer any Three questions. Each question carries Ten marks. [3 × 10 = 30]

8) Bringout the differences between Domestic Business and International Business.

9) What is Business Environment? Explain different factors of International Business Environment.

10) WTO is the Third Pillar of Global Business Comment.

11) Discuss the methods of correcting Disequilibrium in Balance of payments.

12) What is e-Business? What are the different types and components of e-Business.

SECTION-D

13) Case (Compulsory): [1 × 15 = 15]

American Motors Corporation (AMC) for years had been America's fourth largest producer of automotive vehicles. It dropped to fifth position when Volkswagen began producing cars in US, after joining with Renault of France in 1980, AMC started to drop them. It began producing and selling Renault's designed cars instead of its own. AMC was also the world's largest producer of four-wheelers since its acquisition of Jeep from Kaiser in 1870. Joining with Renault did not threaten the viability of AMC's Jeep line because Renault had no four-wheelers. In fact, Renault became exclusive distributor for Jeeps in France and elsewhere.

By 1980 worldwide, sales of Jeep were over 2 lakhs per year with three-fourth of that in the US and Canada, which represented the domestic business. The

international sales in 1981 including communist countries were 45,000. Until the fall of Shah, Iran was the biggest market. Among four-wheelers, Jeep was the largest seller. Its competitors in order were Toyota. Nissan and Land Rover. Jeep was the most global of the competitors also with manufacturing, assembly and on licensing in over 20 countries. In contrast. Toyota had most of its assembly operations in just Indonesia and Venezuela. Most of the Jeeps were produced from Ohio. However. AMC Jeep had limited manufacturing in a few foreign markets with assemble and licensing in many others. AMC Jeep had equity in plants in Australia, Egypt. etc. Altogether, there were 2 assembly plants in Africa, 3 in Middle East. 12 in Asia Pacific and 4 in Latin America. Most of the local manufacturing is done to meet local content.

Jeep Sales outside US and Canada are the responsibility of a firm based in Michigan. The concern has 185 employees, of which. 25 are living in foreign countries, 25 are American expatriates. Jeep vehicles have enjoyed universal recognition and appeal due to their use in the Second World War by US. In developed countries. Jeeps are promoted as recreational vehicles while multipurpose in developing countries. It can be seen that Jeeps are sold in large number in world markets and in countries with difficult economic, environmental and use conditions.

Questions :

Assuming as international business manager, make appropriate suggestions on the following:

a) To what degree should Jeep vehicles be adopted for world markets?

b) Should Jeeps have uniform international brands in world markets?

c) Should the Jeep warranty be the same in every market?

d) What should be the service and promotion strategy for world markets?

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