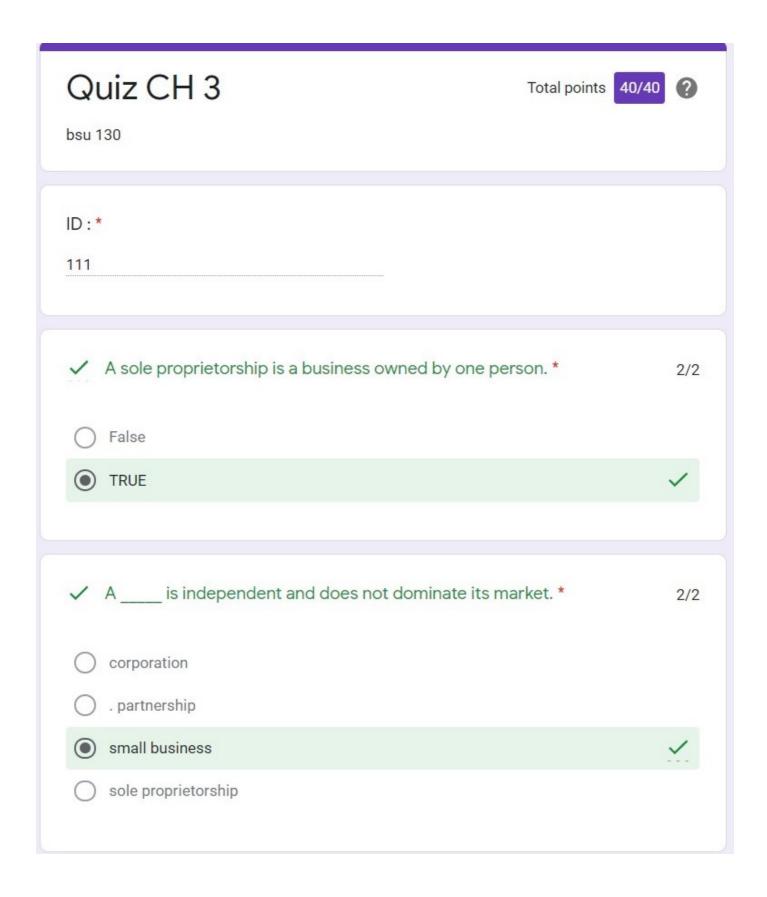
BUSA130 Quiz By : Yazan Arafat

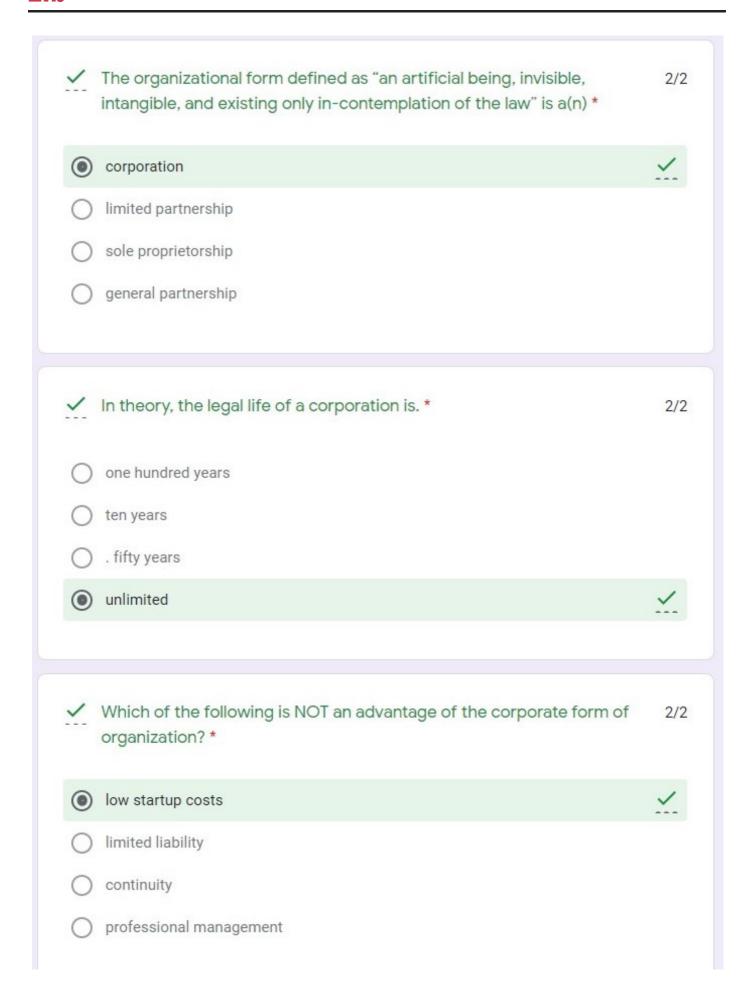
Ch3



✓ In a franchise agreement, the franchiser is *	2/2
the supplier	
the local owner	
the parent company	<u> </u>
any of a number of customers	
✓ Which of the following is NOT a typical part of a busines	ss plan? * 2/2
terms for credit purchases	*
a financial plan	
general description of the business concept	
a sales forecast	
✓ Company A purchased Company B. This is a *	2/2
acquisition	<u> </u>
O spin-off	
divestiture	
O merger	

<u> </u>	McDonald's, Blockbuster, and Subway are examples of *	2/2
0	university sponsored businesses	
0	networking businesses	
0	government entities	
•	franchises	<u>~</u>
<u> </u>	Which of the following is the most significant disadvantage of franchising? *	2/2
0	increased chance of failure	
0	engthy contracts	
0	difficulty in obtaining financing	
•	high startup costs	*
<u>~</u>	Which of the following legal forms of business is owned and usually operated by one person who is responsible for its debts? *	2/2
0	corporation	
•	sole proprietorship	Y
0	cartel	
0	general partnership	

<u>~</u>	The most important benefit of sole proprietorship's *	2/2
0	lack of privacy	
•	freedom	<u> </u>
0	failure	
0	no liability	
<u>~</u>	The most common type of partnership is a *	2/2
•	general partnership	<u>~</u>
0	limited partnership	
0	sole partnership	
0	corporate partnership	
<u> </u>	Both sole proprietorship and partnerships lack *	2/2
0	clarification	
0	trust	
•	continuity	<u> </u>
0	profits	



<u> </u>	Stock in UPS is not available for sale to the general public. UPS is an example of a *	2/2
0	general partnership	
0	private corporation	<u> </u>
0	public corporation	
0	partnership	
~	The governing body of a corporation is its *	2/2
0	stakeholders	
0	top managers	
0	stockholders	
0	board of directors	<u>~</u>
<u>~</u>	Which of the following occurs when two firms combine to create a new company? *	2/2
0	takeover	
0	venture	
0	venture	

