

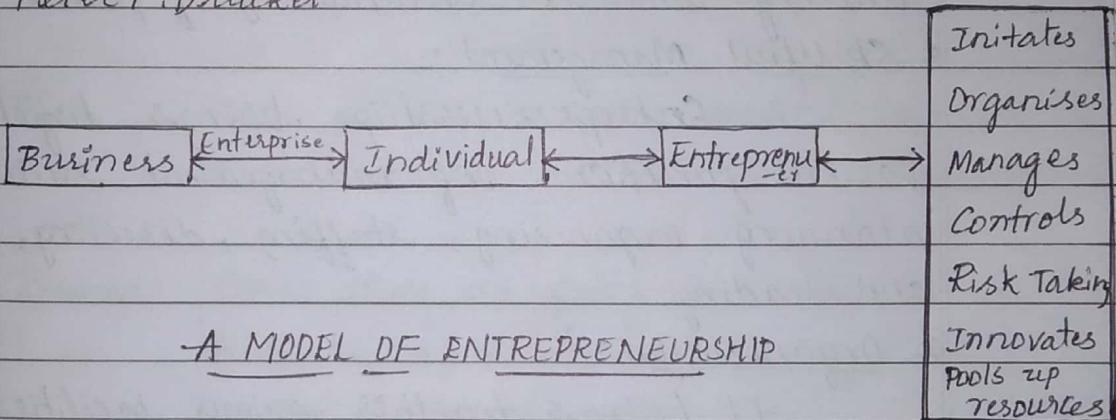
ASSIGNMENT - 03

- ① what is Entrepreneurship? Explain its model.

Entrepreneurship is a trait possessed by an entrepreneur. The spirit of enterprise make a person an entrepreneur. Entrepreneur thus is a innovator, who carries out new combinations in ever-changing environment to initiate and accelerate the process of economic, social and technological development.

"An Entrepreneur is one who always searches for changes, responds to it and exploits it as an opportunity"-

Peter F. Drucker



An entrepreneur is a economic growth agent who plays an important role in the economic development of a country. He possesses required knowledge, skills, initiative, drive and spirit of innovation and aims to achieve goals.

Entrepreneurship is a dynamic activity which helps the entrepreneur to bring changes in the process of production, innovation in business, new ideas and usage of resources, establishing new markets.

② what are the characteristics of Entrepreneurship.

The process of entrepreneurship has following characteristics.

1. Innovation:

Entrepreneurship involves innovation of new things to effect dynamic changes and good success in the economy. It should create condition for growth of the economy.

2. Risk Taking:

Risk is an inbuilt element of any business. Entrepreneurship should be risk bearing to cater uncertainty of future.

3. Skillfull Management:

Entrepreneurship brings together various functions of management such as planning, organising, staffing, directing, controlling and leading.

4. Organisation:

It brings together various facilities of production for an efficient & economical use.

5. Decision Making:

It is very vital characteristics of an entrepreneurship. Taking decisions at all levels and stages of entrepreneurship is a routine task.

6. Making an Enterprise success:

Entrepreneurship is mainly an economic activity as it deals with creating and operating an enterprise. It involves in satisfying the needs of customer with the help of production & distribution of goods & services. This makes an enterprise success.

③ Difference between Entrepreneur, Intrapreneur and Manager

| Feature           | Entrepreneur  | Intrapreneur  | Manager   |
|-------------------|---|---|---|
| * Goal Management | Independent, starts new venture and leads direct involvement.   | Independent innovates new ideas                                       | Delegator and supervisor more than direct involvement.            |
| * Status          | Not concerned about status  | Not concerned about traditional status, but wants symbol recognition  | Concerned about status  |
| * Risk            | Bears all the risk of uncertainty   | Owes moderate risk  | Does not bear any risk  |
| * Rewards         | Since there is a profit or loss depends rewards he gets fixed rewards works for the service which ending on the spot for his extra innovations. | Gets fixed rewards works for the service which is fixed and definite. | Many salary for his innovations                                   |
| * Innovation      | Very Innovative   | Innovative  | Need not be innovative the manager is the idea of top management. |
| * Decision making | Very much involved in decision making   | Moderate, limited to his work   | Delegates the decisions of top management                         |

(A) Explain the types of Entrepreneur.

(a) According to the type of business

- \* Business entrepreneur
- \* Trading Entrepreneur
- \* Industrial Entrepreneurs
- \* Corporate Entrepreneur
- \* Agricultural entrepreneurs
- \* Retail entrepreneur
- \* Service entrepreneurs etc.

(i) Business entrepreneurs - Conceive an idea for a new product or service leading to new business

(ii) Trading entrepreneur - undertake trading activities

(iii) Industrial Entrepreneur - He is generally a manufacturer who identifies the potential needs of customers.

(iv) Corporate entrepreneur - demonstrates his innovative skill in organizing & managing corporate undertaking.

(v) Agricultural entrepreneur - raising & marketing crops

(b) According to use of technology

(i) Technical entrepreneur - He is concerned with technical aspects of a product.

(ii) Non-technical entrepreneur - He is also called as "Craftsman", develops improved quality goods.

(iii) Professional entrepreneur - whose interest is to establish a business but does not deal with its mgt. and organizing it.

(c) According to motivation

(i) Pure entrepreneur: A person who gets motivated by psychological and not by economic rewards.

(ii) Induced entrepreneur - who is induced to take up to task due to policy measures that provides

assistance, incentive and concessions etc.

(iii) Motivated Entrepreneur - motivated by the desire for self-fulfillment

(iv) Spontaneous entrepreneur - Starts their business by natural talents inherent in them.

⑤ Briefly write a note on the evolution of entrepreneurship.

Entrepreneurship existed in very early stages in different kind.

1. Early period: An early example of entrepreneurship is known to be Marco Polo who tried to trade routes to the far east. He used to sign a contract with a venture capitalist to sell his goods. The capitalist was the risk bearer, the merchant adventurers took the role of trading bearing all physical & other risk.

2. Middle ages: In middle age the term entrepreneur was referred to a person managing a large projects. He was not taking any risk but was managing the project using the resources provided.

3. 17<sup>th</sup> century: During 17<sup>th</sup> Century, the risk with entrepreneurship evolved. A person used to enter into a contractual agreement with the government to perform a service or to supply goods. This involved some risk since the contract price was fixed & profit or loss was borne by the entrepreneur.

4. 18<sup>th</sup> and 19<sup>th</sup> Century: As a result of industrialization during the 18<sup>th</sup> century the person with the capital the person who needs capital (entrepreneur) Many of the technical inventors didn't have money to turn their inventions into products. Hence some capitalists had to finance them.

5. 20<sup>th</sup> Century: During this the entrepreneurs were not distinguish from manager and were viewed mostly with the view of economy. The entrepreneur organises & operates an enterprise for the personal gains. He takes risk, contributes his own initiatives, skills, he plans, organise and leads his enterprise. He owns and bears the loss or gain. In the middle of 20<sup>th</sup> century the notation of entrepreneur as innovates has established.

(6) What are the barriers of Entrepreneurship?

Entrepreneurship couldn't be taken due to several reasons they are

- \* Lack of Capital
- \* Lack of technical knowledge
- \* Economic business cycle
- \* Non availability of raw materials & resources
- \* Govt regulations
- \* Unstable & unpredictable markets
- \* Globalization & entry of foreign goods.
- \* Obsolescence of technology.
- \* Risk

(7) What are the various stages of entrepreneurial process.

This process has five important stages

① Identification of an opportunity:

It's 1<sup>st</sup> step in the entrepreneurial process.

This may be from his own idea or from external sources like consumer & business associates, members of distributed system, independent technical organisation, consultants etc.

Consumers are the best source of ideas for a new venture which spells out the need of a product or service. The business associates can also give ideas of a product or service.

### ② Evaluation of the opportunity:

The opportunity identity by using either inputs from customers, business associates, channel members, technical people must be carefully screened and evaluated. This evaluation is the most critical element of the entrepreneurial process as it allows the entrepreneur to access whether the specific product or service provide sufficient return on investment.

The length of the opportunity and the market size and share are two main aspects for deciding the risk and gains or profits. SWOT (strengths, weakness, opportunities and threats) analysis is one of the useful analysis tools. Strength and weakness are internal factors and related to the organisation and opportunities and threats are external and are related to environment and competition.

### ③ Development of business:

To achieve the proposed business opp, a well defined business plan need to be developed. This is very tedious and time consuming activity of the entrepreneurial process. The business plan should contain in following order.

- \* Title of project, table of contents & executive summary
- \* Description of business & industry.

- \* Technology plan
- \* Financial plan
- \* Organization plan
- \* Production & operational plan
- \* Marketing & distribution of plan
- \* Summary of plans.

#### 4. Determination and organizing of resources:

This process begins with the assessment of present resources. Enough care must be taken not to underestimate the amnt and nature of resources required. The risk involved with insufficient resources should be calculated. Organising the required resources & appropriate time is another important aspect of entrepreneurial process.

#### 5. Management of Enterprise:

After the resources are acquired, the entrepreneur must use them to implement the business plan. The operational problems of growing enterprise must also be examined. This calls for a management with all the functions like planning, organizing, staffing, directing and controlling.

#### ⑧ Define IPR and scope of IPR?

"The immaterial product of a man's brains may be as valuable as his lands or his goods. The law therefore gives him a proprietary right in it".

Encyclopedia defines the term IPR: 'A property that derives from the work of an individual's mind or intellect'.

### Scope of JPR :-

The convention establishing WIPO has described a detailed definition of JPR according to which JPR shall include the rights relating:

- a) Literary, artistic and scientific work;
- b) performances of performing artists, phonograms & broadcasts;
- c) Inventions in all fields of human endeavour;
- d) Scientific discoveries;
- e) Industrial designs;
- f) Trade marks, service marks and commercial names and designations;
- g) Protection against unfair competition and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields.

### ⑨ Explain different categories of JPR.

(i) PATENTS: patents are granted for an invention that stems from an idea that is novel, non-obvious and useful, and in many jurisdictions, must have industrial applicability. The idea presented should be complete in that one skilled in the same field as that of the invention, must be able to, upon reading the patent document, reproduce the invention as described.

(ii) TRADEMARKS: Trademarks are distinctive signs used to denote goods or products. This is done in order to establish uniqueness of a product supplied by one company over all of

similar or same products from other companies. Trademarks are usually a combination of one or more words, letters, signs, symbols, drawings, colours and even smells. A trademarked good is generally represented as the "name of the product" followed by the sign e.g. TEFION™ or the sign \* e.g. XEROX®.

Trademarks are registered with the respective trademark registration office. Registration of trademarks establishes assertion rights.

(iii) COPYRIGHTS: Copyright is a form of intellectual property protection available to all forms of expression of ideas, procedures, methods of operation etc. It must be noted that copyright protection is available only to AN EXPRESSION of ideas, but not the ideas themselves.

Copyrights are automatic rights, in that the protection is obtained by virtue of creation by the copyright owner.

(iv) TRADE SECRETS: Trade secret is any intellectual work or product used for a business purpose that can be classified as belonging to that business provided it is based on information in public domain. It is the information that is deliberately kept a secret from public so that the secrecy invoked will provide an economic benefit or a competitive edge for the owner.

To prove that the information kept secret is indeed as trade secret, reasonable efforts must be done to keep it out of reaching public attention.

(v) GEOGRAPHICAL INDICATIONS: GI is a sign used on goods that have a specific geographical origin or possess qualities or a reputation that are due to that place of origin. It is used most commonly for agricultural products whose qualities are influenced by specific local factors, such as climate and soil.

(vi) INDUSTRIAL DESIGNS: These are concerned with the aesthetic appearance of an article or a product. Industrial designs are also generally referred to as designs. Designs are explicitly not concerned with any technical and/or functional considerations, but only the appearance. Appearance may include aesthetic or ornamental aspects of articles.

⑩ Write short note on WTO?

WTO (World Trade Organization) :-

History : WTO was born on 1<sup>st</sup> January 1995 with main objective to improve the welfare of people of member countries. Its main function is to ensure that trade flows as smoothly, predictably & freely as possible.

Evolution of WTO : 1. Brettonwood Conference 1944.

2. General Agreement on Tariffs & Trade (GATT)

1. Brettonwood Conference 1944 : To overcome recession after post world war II group of 44 nations met in Brettonwood, New Hampshire, England to discuss the establishment of an organization, which will help restoring the international trade.

## 2. General agreement on Tariffs & Trade:

GATT was established in 1948 in Geneva

### Objective:-

- \* Increase international trade by reducing and rationalizing the tariffs.
- \* GATT had no solid legal foundation.
- \* It was dealing only with the trade of goods analyzing the tariffs.

### Structure:

- \* The highest WTO authority is the Ministerial Conference which meets every two years.
- \* The day-to-day work of the WTO, falls to a no of subsidiary bodies, principally the General Council.
- \* The General Council delegates responsibility to three other major bodies - Councils for Trade in Goods, Trade in services and Trade-Related Aspects of Intellectual property Rights

Secretariat and budget: The WTO Secretariat is located in Geneva. It has around 450 staff and is headed by its director-general, Renato Ruggiero, and 4 Deputy Directors-General

### WTO functions:

- \* To provide a forum for negotiations.
- \* To provide a dispute settlement mechanism.
- \* To administer trade agreements.
- \* To oversee implementing & administering WTO agreements.
- \* Ensure trade flows smoothly.

- \* To review national trade policies.
- \* Co-operation with other international organisation.

### Principles of WTO:

- \* Free trade : gradually , through negotiation.
- \* Predictability : Through binding and transparency.
- \* Promoting fair competition
- \* Encouraging development & economic reform.

(ii) Write short note on Paris Convention.

The Paris Convention 1883 applies to industrial property in the widest sense, including patents, trade marks, industrial designs, utility models (a kind of "small-scale patent" provided for by the laws of some countries), service marks, trade names, geographical indications and the promotion of fair competition.

The substantive provisions of the Convention fall into three main categories: National treatment, right of priority and common rules.

Under the provisions on National Treatment, the Convention provides that, each contracting state must grant the same protection to nationals of other contracting states that it grants to its own nationals.

The Convention provides for the right of Priority in the case of patents, marks and industrial designs.

The Convention lays down a few common rules that all contracting states must follow.

The most important are:

- a) Patents : \* patents granted in different Contracting states for the same invention are independent

of each other:

- \* The inventor has the right to be named as such in the patent.
- \* The grant of a patent may not be refused or be invalidated, on the ground that the sale of the patented product.

b) Marks:

- \* The Paris Convention does not regulate the conditions for the filing and registration of marks which are determined in each Contracting state by domestic law.
- \* where a mark has been duly registered in the Country of origin, it must on request, be accepted for filing & protected in its original form in the other Contracting states.

c) Industrial Designs:

- Industrial Designs must be protected in each Contracting state, and protection may not be forfeited on the ground that articles incorporating the design are not manufactured in that state.

d) Trade Names:

Protection must be granted to trade names in each Contracting state without there being an obligation to file or register the names.

e) Indications of source:

Measures must be taken by each Contracting state against direct or indirect use of a false indication of the source of goods or the identity of their producer, manufacturer or trader.

(12) Briefly explain about Berne Convention?

The Berne convention deals with the protection of works and the rights of their authors. It is based on 3 basic principles and contains a series of provisions determining the minimum protection to be granted, as well as special provisions available to developing countries that want to make use of them.

- 1) The three basic principles are as follows:
  - a) Works originating in one of the Contracting states must be given the same protection in each of the other Contracting states as the latter grants to the works of its own nationals.
  - b) Protection must not be conditional upon compliance with any formality ("automatic" protection).
  - c) Protection is independent of the existence of protection in the country of origin of the work (principle of "independence" of protection).
- 2) The minimum standards of protection relate to the works and rights to be protected, and to the duration of protection:
  - a) As to works, protection must include "every production in the literary, scientific and artistic domain, whatever the mode or form of its expression."
  - b) Subject to certain allowed reservations, limitations or exceptions, the following are among the rights that must be recognised as exclusive rights of authorisation.
    - \* The right to translate,
    - \* the right to make adaptations & arrangements

of the work,

- \* the right to perform in public dramatic, dramatic-musical and musical works.
- \* the right to recite literary works in public.
- \* the right to broadcast
- \* the right to communicate to the public the performance of such works.

3) The Berne Convention allows certain limitations and exceptions on economic rights, that is, cases in which protected works may be used without the authorisation of the owner of the Copyright, and without payment of Compensation.

The Berne Convention, concluded in 1886, was revised at Paris in 1896 and at Berlin in 1908, completed at Berne in 1914, revised at Rome in 1928, at Brussels in 1948, at Stockholm in 1967 and at Paris in 1971 and was amended in 1979. The Convention is open to all states. Instruments of ratification must be deposited with the Director General of WIPO.