**Short Answer**

1. Answer the following 4 questions about firm branding
   1. What is one company who has a strong brand that you like
   2. What do you like about this branding (in 2 to 3 sentences)
   3. Does this company use effective marketing strategies and if so what do they do that you find effective
2. You are planning to open a nursery and need to raise at least $100,000 in capital. Discuss briefly why a business plan would help you. You do not need to cover all the topics but at least hit upon 3 or 4 major reasons it could be beneficial.
3. To raise the funding you look at getting an outside investor, a bank loan or bootstrapping the nursery. List a positive and negative for each of these three mechanism to start your business
   1. Bootstrapping
   2. Angel Investor
   3. Bank Loan
4. An entrepreneur decides to invest $100,000 for a 25% stake in your nursery
   1. What valuation does this put on your business?
   2. After year one they have $500,000 in total revenue with the cost of revenue being $250,000. After other expenses the firm is left with $50,000 net income, what **total debt** does the firm have at this point in time?
5. You have started a catering business that is doing well. Below are your costs for June. What is your total fixed costs for the month of June?

|  |  |
| --- | --- |
| **Costs for June, 2017** | |
| Rent | $2,400 |
| Power | $120 |
| Food Costs (Entree) | $1,200 |
| Water Bill | $60 |
| Delivery Vans Payment | $600 |
| Management Salary | $3,200 |
| Business Insurance | $200 |
| Employees (Event Caterers) | $2000 |
| Food Costs **(hors d’oeuvres)** | $300 |
| Food Costs (beverages) | $240 |
| Phone and Internet | $90 |

**Long Answer 1**

1. You have opened a new salon in the Corvallis area. Name three ways you could market to your customers.

a.

b.

c.

1. You have an organic farm and plan to sell your produce to local restaurants. List three ways that you could market to these restaurants.

a.

b.

c.

1. The salon’s target market is comprised of businesses or consumers. (Select one of the underlined words).
2. The organic farm’s target comprised of businesses or consumers. (Select one of the underlined words).
3. How might your marketing strategy differ depending on if your target market is a business or a consumer?

\*By a consumer it just means a normal individual who is not making a purchase on behalf of a business

**Long Answer 2**

**Part 1**: You are showing your new idea to potential investors but make them sign a Non-disclosure agreement first (NDA).

1. Is an NDA related in any way to Porter’s Five Forces (Yes or No)
2. Briefly explain your reasoning below

**Part 2:** You gained a patent for your idea and potential investors are very excited about the patent and the protection it offers

1. What does a patent protect you from?
2. Does this have any relation to Porter’s Five Forces (Yes or No)
3. Briefly explain your reasoning below

