

# Handout Unit 11

## 1. Article - questions

1. What is frequently underestimated when considering the chances of success of a business idea?
2. Who do banks and venture capitalists prefer to lend to?
3. What are the prerequisites for an entrepreneur to be successful?
4. Why do spin-offs have advantage over other new entrants in an industry?
5. What does the article say about radicalism and its role on the market?
6. When is the best time for a company to enter a market? How do entrepreneurs find out?
7. How have the customer needs changed over the last couple of decades? Which companies benefit from it?
8. What are the measurable criteria by which it would be possible to predict a success of a venture?

## 2. Translate into Czech/English

Jump on the bandwagon

Widespread trait

Subject monopolies to creative destruction

To be inversely related to real opportunities

Zlepšovat se přímo úměrně nabytým zkušenostem

Komerčně využitelné vzory

Představa pocházející z 19. století

Obchodně využít přelomovou myšlenku

## 3. Additional text - questions

1. What is the difference between Phase I and Phase II?
2. Describe Phase II of business development
3. What is secondary market research?
4. What is primary market research?
5. Choose 5 of the questions shown and explain the idea behind them, why they should be asked.
6. What other topics are important?
7. Explain the importance of early-stage financial analyses.
8. What may happen if startup cash needs are not calculated well?
9. Which companies will not be attractive for venture capitalists
10. How may investors capture their returns?

## 4. Complete the word or phrase in the sentences. Each dash corresponds to one letter.

1. Money that is lent to someone to start a new business is called \_\_\_ t \_\_\_ c \_\_\_ t \_\_\_.
2. A \_\_\_ ch \_\_\_ is an arrangement in which a company gives a business the right to sell its goods/services in return for a fee or a share of the profits.
3. if a company goes \_\_\_ of \_\_\_ s \_\_\_, it stops operating because there is no money or work available.
4. \_\_\_ on \_\_\_ v \_\_\_ is an arrangement by which the buyer must pay for goods as soon as they are delivered.
5. The official rules and regulations that make it more difficult to run a company is referred to as \_\_\_ p \_\_\_.
6. \_\_\_ ct \_\_\_ is an arrangement by which a financial institution pays you immediately the money that is owed you in return for a percentage, and then collects those debts.

## 5. Complete each set of sentences with the same word.

1. Entrepreneurs can borrow money rather than sell an equity.....  
With a ..... of 45.5%, Metalex is Aluco's largest shareholder.  
Because of the dispute with the Board of Trade, our company's reputation is at.....
2. Shareholders expect a good ..... on their investment.  
The banks agreed to write off the company's debt in ..... for control.  
The amount an investment produces before tax is taken off is called the gross .....
3. Do not even think of starting a business if you lack the competitive ..... needed to succeed.  
In a ..... to raise capital, they decided to sell some parts of the business.  
It is likely that increased competition will ..... down prices, for a while at least.
4. A lot of positive changes are expected to ..... directly from the new financial legislation.  
As you can see from this ..... chart, the decision-making process is relatively complex.  
Over 85% of the capital investment programme was funded by customer revenue through net cash ..... from operating activities and the rest was funded from new loans.
5. Becoming self-employed can be a bit of a gamble as it certainly does not always ..... off.  
Pelco has been trying to raise cash to ..... its debts.  
Clients who do not ..... on time can cause serious problems with your cash flow.
6. On ....., it has been a good year for the company.  
It can be difficult for some women to ..... home life and career.  
It is the responsibility of management to establish an appropriate ..... between operational and capital expenditures.
7. The centre is outrageously expensive, so we are going to relocate right on the ..... of town.  
Our company processes orders very quickly, and this gives us a real competitive ..... over the other manufacturers.  
The index has climbed to 105.3, but it will probably ..... back to 101.5 in November.
8. Although Sue was well aware of the risk, she had her heart..... on becoming an entrepreneur.  
A brand is often seen as something that stands for a ..... of values or attributes, or that conveys some promise.  
A couple of engineers took the knowledge they had gained at Megatron and used it to ..... up a rival company
9. By and ....., it was a successful project.  
We all thought that .....-scale changes to the organisational structure of the company were necessary.  
Many companies are investing ..... sums of money in leadership training.
10. Under the pay-as-you-earn system, employees' income is taxed at .....
- We ..... all the aircraft components we need from a Spanish manufacturer.  
We have heard from a reliable ..... that Castell Engineering is doing very badly.

## 6. Complete each space in the text with an appropriate modal verb. Some are negative.

Dear Toshie,

Thanks for sending back the book I lent you. You can't have read it already! You must be the world's fastest reader!  
Hope you enjoyed it.

Well, the big news is, I decided not to go to Italy to take up my job offer. Basically, moving there (2) ..... meant a lot of upheaval and frankly I couldn't face the hassle. Maybe I (3) ..... just gone, and been a bit more adventurous, and for sure, I've got mixed feelings about it, as if part of me wanted to go. Who knows, I (4) ..... met the man of my dreams! But I didn't take the decision lightly.  
I (5) ..... spent several weeks thinking about nothing else. Anyway, what's done is done.

My other news concerns my Dad. You remember I was getting very worried because he'd been having dizzy spells and feeling all light-headed. Well, I (6) ..... worried - he's been diagnosed as suffering from low blood pressure, so he's on medication for that. The doctor said it's possible that his vegetarian diet (7) ..... set it off. It's a pity you weren't here! You (8) ..... been able to help Dad, with your interest in holistic medicine. You (9) ..... given him some of your aromatherapy treatments.

Anyway, hope to see you again before too long. By the way, guess who's getting married in June? Brenda!  
I (10) ..... known it would be her! It's typical; that girl has all the luck!

Love from, Sue