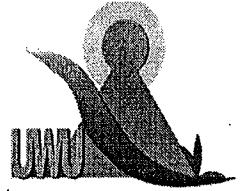




Uva Wellassa University

Faculty of Management



Bachelor of Business Management in Entrepreneurship and Management

Year 4 Semester I Examination (Repeat) February/ March 2012

EMG 451-1 International Entrepreneurship

Answer all questions

Time : One Hour

Total Marks : 100 Marks

1. Read the following case and answer the question given below.

Sri Lanka's troubled tableware exporter Dankotuwa Porcelain made a loss of 16.9 million in the March 2010 quarter compared with a modest profit a year ago, a stock exchange filing said. Sales in the quarter fell nine percent to 289 million rupees as it was hit by production problems.

Company officials said production was disrupted during the period because of difficulties in importing clay as well as pigments needed for its tableware decorations. However, they said export orders had improved this year with more production capacity taken up.

The company, which is in talks with a prospective investor for a badly needed capital injection, had made a profit of 125,000 rupees in the March quarter of the previous financial year.

Dankotuwa has been affected by high labor costs and a slow down in sales in traditional Western markets like the US and Europe. It has also been hit by rising costs, especially a sharp increase in the price of gold in recent months, as well as pressure from buyers to reduce prices.

You are required to:

Discuss the types of strategies that the firm can follow to overcome the mentioned issues. (60 Marks)

2. Discuss why the most of businesses in 21st century are becoming global players.

(40 Marks)