

Name:

Date:

Class:

Lesson 2.2

Practice Your Understanding

1. Calculate the conversion of 500 United States dollars into Canadian dollars if the current exchange rate is 1.36. (2.2-1)

Answer:

2. For each scenario, determine the type of global business opportunity. (2.2-2)
 - a. A grocery store chain based in the United States is exploring options to expand business into India. However, they are unsure of local regulations and cultural practices, so they decide to partner with a grocery retailer already established in the country.

Answer:

- b. An upscale fashion boutique noticed many of their clients expressing an interest in purchasing perfumes from France. They currently do not sell any perfume products, and fear they are potentially losing sales. As a result, they have contacted a distributor of perfumes located in Europe to place an order due to this rise in product demand.

Answer:

- c. A young entrepreneur named Dylan is planning to move to Australia to recreate an international version of his successful surf shop currently located in California.

Answer:

3. Each of the following scenarios represents a fictional example of a trade barrier. For each scenario, determine the type of trade barrier being discussed. (2.2-3)
 - a. To protect domestic electric vehicle companies, the US government limited the number of electric vehicles that can be imported from a country to 10,000 units for the current year.

Answer:

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- b. To increase revenue, the US government has imposed a five-percent tax increase on luxury goods imported from a country.

Answer:

- c. Due to environmental concerns, the US government banned the import of products from a country.

Answer: