

**B.Sc. RETAIL AND FASHION
MERCHANDISE (BSCRFM)**

Term-End Examination

December, 2016

BFR-007 : FRANCHISING

Time : 3 hours

Maximum Marks : 70

Note : Attempt any *seven* questions. All questions carry equal marks.

1. Write notes on any *two* of the following : 2×5=10
 - (a) Business Format Franchisee
 - (b) Licensing
 - (c) Regional Territory

2. Differentiate between any *two* of the following : 2×5=10
 - (a) Distributorship and Franchising
 - (b) Area development and Master franchise
 - (c) Exclusive and Non-exclusive territory

3. "The franchisor should develop a concrete plan for supporting the franchise operations, communications system and marketing of the franchise." Do you agree with the statement ? Justify. 10

4. Identify the various cost heads a potential franchisee should consider in order to estimate the actual financial requirements of entering a franchise. 10
 5. "Selecting a franchise is a difficult process." Identify the steps in selecting a franchise. 10
 6. What is a franchise agreement ? What are the key subjects in the franchising agreement ? 10
 7. "To be successful in foreign markets, the franchisor has to be flexible enough to adapt certain changes in the structure of the franchise network; standardized operation system as well as cope with legal changes required for international agreements." Justify the statement with suitable examples. 10
 8. "A franchisor needs to safeguard the protection of intellectual property rights." What all legal issues can arise in this respect ? Explain with the help of examples. 10
 9. Identify the advantages and disadvantages of owning a franchise from the perspective of the franchisor and the franchisee. Elucidate with the help of suitable examples. 10
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