

**Task 1. Rearrange the words to make up definitions for the bold words: (20 points).**

1. **Monopoly**-producer/seller/or/control/single/a/of/the/service/by/or/in/a/commodity/trade
2. **Discount**- a/purchases/reduction/regular/in/or/the/large/price/or/payment/for/prompt/

**Task2. Rewrite this passage filling in the blanks from the list of words below: (50 points).**

### Management performance

From time to time it is necessary to check the performance of staff, both..... and collectively. A manager will need to appraise performance so that he can see how best it might be..... There is always likely to be a gap between what could be .....and what is actually attained and the manager's aim should be to ensure that this .....is minimized. It should be borne in mind that the business organization is normally hierarchical-like a family tree-and the manager's performance is itself subject to surveillance by superiors. The appraisal often takes place as a..... to the annual salary reviews. Where there is a pay.....the question might simply be,"Has this person worked well enough to.....the next increment?" Or where there is a possible .....the question would be," Has this person done enough to.....promotion?" In these instances the .....of appraisal is to provide a yes or no response.

**Improved  
Upgrading**

**individually  
merit**

**prelude  
purpose**

**deserve  
achieved**

**scale  
shortfall**

**Task3.1. Read the text and decide which of the statements are true or false:**

Good afternoon, ladies and gentlemen. I am very happy to be able to report another successful year for your Company. Whitbread has not only increased turnover, pretax profit and earnings per share, but has again invested heavily in our existing businesses and made some important acquisitions.

The market for our products continues to change. In the UK, the market for beer was marginally up last year. Within that, lager sales again increased and the premium lager sector grew very fast. But as the beer market changes, so do the pubs. Less and less are there places where people simply go to have a glass of beer. Increasingly customers want good food, a pleasant environment and a variety of alcoholic and non-alcoholic drinks. Our development and refurbishment programme is an important part of building our business for the future.

There is also change on the international scene, where growth in wines and spirits is almost exclusively at the premium end of the market. Last year saw a number of mergers in the drinks industry with some of the biggest companies not only acquiring other businesses and brands, but through alliances, seeking to control the distribution of their own brands.

Last year Whitbread made several important acquisitions and disposals. Chief among them was the acquisition of James Burrough plc (the owners of Beefeater Gin) and the disposal of Aureon Discotheques. Our acquisition and disposal strategy will help to make our business not only more profitable, but better balanced in terms of brand strength and geographic spread.

Once again our staff responded to the Company's challenges. Our improved performance is a tribute to them and I should like to thank all of them, in all parts of the Company, in the UK and

abroad, for their efforts, dedication and hard work. The success of the Company is their success. The Board is especially pleased to continue the Share Ownership Scheme again this year. We regard the scheme as increasingly important in motivating the staff of the Company. Each member, who has been in the scheme from the start, will have received about 1,000'A' shares in the Company after this year's issue.

In the year ended 27<sup>th</sup> February, turnover increased by 8,7% to £1,688,7 million. Pre-tax profit improved by 17,8% from £1,688,7 million to £187,2 million and earnings per share rose from 26.61p to 29.32. The Board is recommending a final dividend of 7.75 per share.

- 1. Whitbread has invested heavily in new acquisitions.**
- 2. Beer sales increased very fast last year.**
- 3. Pubs are changing in character.**
- 4. Large drinks companies now control distribution of their products.**
- 5. Whitbread has acquired Aureon Discotheques.**

**Or**

**Task 3.2. Read the text and choose the correct answer for each statement:**

Southeastern Stationery is a distributor of notebooks, stationery, gift wrap, party supplies, and other paper products to discount stores, supermarkets, and department stores. Southeastern takes title to the products it handles and provides a wide variety of services to the stores it supplies. Most of the products Southeastern distributes are produced by Premium Paper, Inc., one of the largest and most successful manufacturers of paper products in the country.

John Simpson, the owner of Southeastern Stationery, sometimes feels as though he is really just an employee of Premium. In recent years, Premium has tried to make the distribution of its goods more efficient by planning and coordinating the activities of the firms involved in the process. Thus, John often finds himself reduced to following Premium's orders and directions rather than running Southeastern as he would like. Although he sometimes resents the way Premium dominates the distribution process, he also knows that his firm has benefited from the manufacturer's marketing success-and that he cannot afford to lose the giant firm's business. John has worked hard to ensure that Premium's paper goods are found in virtually every department store, discount store, and supermarket in the area served by Southeastern.

**1. Southeastern Stationery would be classified as a(n):**

- a) agent middleman
- b) discount retailer
- c) full-function merchant wholesaler

**2. The path that paper goods (and title to them) follow from Premium to Southeastern to a discount store to the final consumer is an example of:**

- a) the marketing mix
- b) market segmentation
- c) a distribution channel

**3. The relationship between Premium Paper and Southeastern Stationery appears to be part of a(n):**

- a) administered vertical marketing system
- b) corporate vertical marketing system
- c) horizontal distribution system

**4. Premium's relationship with Southeastern suggests that:**

- a) Premium is a channel captain
- b) Premium is a wholesaler and Southeastern is a consultant
- c) Southeastern and Premium are guilty of collusion

5. John's efforts to get Premium products carried by even more stores indicate that Premium prefers a (n):
- a) exclusive distribution strategy
  - b) selective distribution strategy
  - c) intensive distribution strategy

**ASSESSMENT:**

46-55 Points=5; 56-65 Points =6; 66-75 Points=7  
76-85 Points =8; 86-96 Points =9; 97-100 Points=10.

**KEYS:**

**Task1.**

**Monopoly** – control of the trade in a commodity or service by a single seller or producer

**Discount** - a reduction in the price for prompt payment or large or regular purchases

**Task2.**

**Management performance**

From time to time it is necessary to check the performance of staff, both **individually** and collectively. A manager will need to appraise performance so that he can see how best it might be **improved**. There is always likely to be a gap between what could be **achieved** and what is actually attained and the manager's aim should be to ensure that this **shortfall** is minimized. It should be borne in mind that the business organization is normally hierarchical-like a family tree-and the manager's performance is itself subject to surveillance by superiors.

The appraisal often takes place as a **prelude** to the annual salary reviews. Where there is a pay **scale** the question might simply be, «Has this person worked well enough to **deserve** the next increment?» Or where there is a possible **upgrading** the question would be,» Has this person done enough to **merit** promotion?» In this instance the **purpose** of appraisal is to provide a yes or no response.

**Task3.1.**

- 1. **False**
- 2. **False**
- 3. **True**
- 4. **False**
- 5. **False**

**Task 3.2.**

- 1 .Southeastern Stationery would be classified as a (n):  
c) **full-function merchant wholesaler**
- 2 .The path that paper goods (and title to them) follow from Premium to Southeastern to a discount store to the final consumer is an example of:  
c) **a distribution channel**
- 3. The relationship between Premium Paper and Southeastern Stationery appears to be part of a (n):  
a) **administered vertical marketing system**
- 4 .Premium's relationship with Southeastern suggests that:  
a) **Premium is a channel captain**
- 5 John's efforts to get Premium products carried by even more stores indicate that Premium prefers a (n):  
c) **intensive distribution strategy**