



ICM

DECEMBER 2016

EXPORT PRACTICE & MANAGEMENT

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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1. Exporters will want to maintain close oversight of the liquidity and overall performance of their business. Evaluate the main measures of liquidity and efficiency that an exporter will use to assess business performance. [20]
 2. An exporter will have various options available for measuring profit. Review the ways in which profit can be measured. [20]
 3. Price negotiations between an exporter and an importer will focus on a number of key variables. Analyse the key issues that will be considered during the negotiations. [20]
 4. Review how the concept of absorption costing will be used by an exporter during the operation of their business. [20]
 5. Explain the stages involved in setting up an overseas trading operation. [20]
 6. Review the factors that distinguish exporting from other forms of trading. [20]
 7. An exporting company will incur costs in both its home and overseas markets. Analyse the main types of costs that a trading company will incur. [20]
 8. Explain what the **incorporated company structure** is and assess its advantages and disadvantages as a form of organisation for an exporter. [20]