

Answer all questions below.

Check Your

Understanding

1. Indicate whether each of the following transactions represents an example of vertical integration, horizontal integration, or corporate alliance:
 - a) General Motors Ltd. and the Goodyear Rubber Co. collaborate on the design, testing, and marketing of a new line of safety tires.
 - b) Ford Motor Co. buys 51 per cent of the common shares of Petro-Canada.
 - c) The Steel Co. of Canada is taken over by US Steel.
 - d) DaimlerChrysler AG and Mitsubishi Corp. agree jointly to build an automobile assembly plant in Mexico.
 - e) Coca-Cola Corp. purchases a plant that manufactures aluminum cans.
2. Prepare a comparison organizer to summarize the advantages and disadvantages of small and big business ventures.
3. List the positive and negative attributes of multinational corporations.