



## Foundation Certificate in Marketing - Stage 2

### REGULATORY ENVIRONMENT FOR MARKETING

WEDNESDAY, AUGUST 19, 2009. TIME: 9.30 am - 12.30 pm

Please attempt **FIVE** questions.

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark the **FIRST** five questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat the question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

You should refer to legal authority (case law, statutes, regulations and/or European Union law etc.) where relevant to support your answers.

1. Define **each** of the following types of legislative provision of the European Union and explain how each type becomes part of the Domestic law of this State:

- (a) an Article of the EC
- (b) an EC Regulation
- (c) an EC Directive and (12 marks)

Explain the concept of an internal market within the European Union and give examples of laws which implement this concept.

(8 marks)

2. Clean Driving Ltd. offered a return flight to the Isle of Man to consumers who bought a car vacuum cleaner and who returned the barcode. The details of the offer within the car vacuum packaging stated that the offer remained open until July 30<sup>th</sup>.

Advise each of the following parties who have responded to the offer. You should deal with relevant aspects of contract law and any remedies.

- (a) Daniel returned the bar code by 15<sup>th</sup> July but has been informed by Clean Driving Ltd. that due to exceptional demand those replies received after 1<sup>st</sup> July will receive a luxury car cleaning kit instead. Daniel is disappointed as he is also a keen motorcyclist and had been relying on the tickets to see the TT races. (10 marks)

**P.T.O.**

- (b) Patrick returned the barcode on 30<sup>th</sup> July but was unaware of newspaper and website notices that due to exceptional demand and the impact of the recession replies received after 20<sup>th</sup> July would receive no flights or alternative prizes. (10 marks)
3. You are employed as an advertising executive for a leading newspaper. You are asked to give a written outline of the main provisions of the Consumer Protection Act 2007 and the concept of unfair commercial practices as they apply to advertising and marketing in Ireland. (20 marks)
4. Two weeks ago Danielle bought a new mobile phone from a shop, F Limited for €200. She paid by credit card and initially the phone worked well. Last week one of the phone keys began to stick and she took the phone back to the shop. The Manager told her that the phone would have to be sent back to the manufacturer “for assessment” and there would be a two week delay. Danielle needs a phone for her work and asks for her money back. The manager refuses.
- (a) Write an outline of Danielle’s consumer rights and remedies. (12 marks)
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- (b) Eddy ordered an MP3player from a website based in Germany. He paid €250 for the goods to D GmbH (the German company) over one month ago and still has not received the goods. Explain his rights and remedies. (8 marks)
5. Jonathan is considering starting a car restoration and fuel conversion business and importing spares and parts for classic cars and installing fuel conversion kits. He seeks your advice on whether he should begin to trade as a sole trader or whether he should become a limited liability company *Johnny’s Sustainable Motors Ltd.* Fully explain the advantages and disadvantages of each type of business association. (20 marks)
6. With reference to **two** forms of intellectual property of your choice, detail the nature of statutory protection, the requirements that must be met to achieve such protection and any benefits of such protection to the owner of the intellectual property rights involved. (20 marks)

7. FG Ltd. manufactures patterned and stained glass for use in conservatories and internal walls. They are based in Dublin. Due to exceptional demand in the past they outsourced some work to another manufacturer in the Czech Republic. It sells and markets this glass as an FG product. Recently there was a problem with a batch of glass which splintered on three separate occasions and for which FG has received complaints and threats of legal action.

Explain any possible liability of FG for any injuries under the Liability for Defective Products Act 1991 and/or under the common law of negligence. (20 marks)

8. Write an explanation of **two** of the following, using examples to illustrate your explanation where relevant:

- (a) The main provisions of the Partnership Act 1890.
- (b) The rights of an agent and duties of a principal.
- (c) What is meant by “delegated legislation”?
- (d) The operation of the small claims court in Ireland.

(20 marks)