

Read the text from 2017 about naming a new business. Some words are missing. Choose the correct answer (A, B, C or D) for each gap (1-11). Put a cross (☒) in the correct box on the answer sheet. The first one (0) has been done for you.



Name your firm after yourself

A good business name can be pricey. An entrepreneur (0) ___ for the perfect one can hire a naming agency to offer ideas, but that can cost tens of thousands of dollars. That may explain why many founders follow the (1) ___ of the current American president and name their business after themselves. A recent article by academics from the Fuqua School of Business at Duke University in North Carolina suggests that (2) ___ not only saves money – it can also (3) ___ profits.

The study looked at small businesses in Western Europe. It relied on a sample of almost two million firms, data for which are contained in Amadeus, a commercial database. Firms in the sample (4) ___ to be, on average, fairly young, with few shareholders and employees. Checking the surnames of the largest shareholders, the authors found that 19% of firms were named after their founders.

After accounting for other (5) ___, firms that bore their largest shareholder's name enjoyed a return on assets (ROA) that was three percentage points higher than other companies. The authors explain this (6) ___ that if you name a firm after yourself, you send a signal. You believe your product is good enough to stake your own reputation on it, (7) ___ just that of your company. If you fail, you will remain (8) ___ to that failure for the rest of your career. The authors suggest that customers receive this signal and reward firms (9) ___.

This hypothesis was tested by comparing different types of names. Eponymous founders with a common name will be less closely identified with their firms. So the signal is weaker. The data show that the ROA premium is (10) ___ lower for firms named after founders with common names.

Might not substandard entrepreneurs cheat by naming their firms after themselves? They could, but the short-term benefits of cheating (11) ___ against the long-term reputational damage of being found out. It is easier to choose a different name when starting a firm than to change your own if it fails.

0	A who searched	B who hunts	C seeking	D looking
1	A plan	B model	C example	D way
2	A making it likewise	B such behavior	C a similar action	D doing so
3	A promote	B rise up	C lift up	D boost
4	A tended	B meant	C said	D intended
5	A parts	B elements	C qualities	D factors
6	A by noting	B by noticing	C with proving	D with saying
7	A never	B not	C nor	D neither
8	A tied up	B being bound	C personally connected	D privately associated
9	A accordingly	B respectively	C relatively	D comparatively
10	A absolutely	B indeed	C significant	D quite
11	A must be weighed	B will be put	C should be held	D might be measured

Name your firm after yourself

	A	B	C	D		
0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
5	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

Von der
Lehrperson
auszufüllen

richtig falsch