## **Risky Business**

Read each of the 7 business cases below. Think about what your <u>business risks</u> might be in each situation. Identify the possible financial losses and explain how you could manage these risks (review information in CFIN 10.1, if needed). Responses should be 20 words minimum per question.

1. You own a local fast food restaurant, Quik N Greasy. While watching the news one evening, you see that more and more obese people are suing restaurants – accusing them of making them fat.

2. Sleep Ezzzz is a successful pharmaceutical company which sells a pill designed to help people with insomnia. You work in the research department of Sleep Ezzzz and discover that some patients are dying suddenly in the middle of the night.

3. You own the Columbus Cutters, a professional hockey team.

4. Cups & Helmets, Inc. is the manufacturer of sports equipment used by many high school sports teams. An 11-year old boy receives brain injuries from a hockey puck that manages to break through the helmet.

5. You are a plastic surgeon with Snip/Cut. You have never had any lawsuits due to malpractice, but you know many other doctors who have lost everything.

6. Cheap-Way is grocery store in South Carolina. Hurricane season is coming up soon and you're worried about what might happen to your store.

7. You operate Big Tent Circus, which involves many acrobatic stunts and animal acts in the show.