

General Certificate of Education
June 2003
Advanced Subsidiary Examination



BUSINESS STUDIES
Unit 3

BUS3

Monday 2 June 2003 Afternoon Session

In addition to this paper you will require:

- a clean copy of the Case Study (enclosed);
- an 8-page answer book.

You may use a calculator.

Time allowed: 1 hour

Instructions

- Use blue or black ink or ball-point pen.
- Write the information required on the front of your answer book. The *Examining Body* for this paper is AQA. The *Paper Reference* is BUS3.
- Answer **all** questions.
- Do all rough work in the answer book. Cross through any work you do not want marked.

Information

- The maximum mark for this paper is 53.
- Mark allocations are shown in brackets.
- You will be assessed on your ability to use an appropriate form and style of writing, to organise relevant information clearly and coherently, and to use specialist vocabulary, where appropriate. The degree of legibility of your handwriting and the level of accuracy of your spelling, punctuation and grammar will also be taken into account.
- Up to 3 marks will be awarded for the quality of your written communication.

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Answer **all** questions.

Where appropriate, use examples from the Case Study to support your answers.

- 1 Outline two significant strengths in the way Lily and Seyi started up *Black Looks Ltd* (see Sections A and B). (6 marks)
- 2 Analyse whether C.C. plc's strategy for launching the range of cosmetics and toiletries should be regarded as fair or unfair competition (see Section G). (8 marks)
- 3 Discuss the possible effect on *Black Looks Ltd* of exchange rate changes proving to be in line with the **minimum** figures forecast by City economists. (15 marks)
- 4 Seyi's long-term hope is to turn the business into a public limited company. Explain how *Black Looks Ltd* might benefit from this. (6 marks)
- 5 Some experts believe that there is an inevitable conflict between the aims of shareholders and those of the other stakeholders. To what extent did this prove true in this case? (15 marks)

END OF QUESTIONS