

## Instructions

- Use black ink or ball-point pen.
- Fill in the boxes at the top of this page with your name, centre number and candidate number.
- Answer all questions.


## Information

- The total mark for this paper is 30 .
- The marks for each question are shown in brackets - use this as a guide as to how much time to spend on each question.


## Advice

- Read each question carefully before you start to answer it.
- Keep an eye on the time.
- Try to answer every question.
- Check your answers if you have time at the end.



## Answer ALL questions.

ALL questions must be answered with a cross in a box $\boxtimes$. If you change your mind about an answer, put a line through the box $\boxtimes$ and then mark your new answer with a cross $\boxtimes$.

1 A person that repairs the machines used to make cheese would work for which one of the following business process departments?

| A | Production | $\square$ |
| :--- | :--- | :---: |
| B | Deployment | $\square$ |
| C | Maintenance | $\square$ |
| D | Distribution | $\square$ |

(Total for Question 1 = 1 mark)
2 The main business process of marketing would do which one of the following tasks?

| A | Take finished products to the shops | $\square$ |
| :--- | :--- | :---: |
| B | Organise payments | $\square$ |
| C | Produce advertisements | $\square$ |
| D | Order raw materials from the supplier | $\square$ |

(Total for Question 2 = 1 mark)
3 Which main business process ensures that there are enough materials available to make products?

| A | Production | $\square$ |
| :--- | :--- | :---: |
| B | Supplies | $\square$ |
| C | Distribution | $\square$ |
| D | Marketing | $\square$ |

4 The drawing below shows a shipping container.


This type of container is designed for:

| A | marketing | $\square$ |
| :--- | :--- | :---: |
| B | maintenance | $\square$ |
| C | distribution | $\square$ |
| D | packaging | $\square$ |

(Total for Question 4 = 1 mark)
5 Which one of these spin-off industries would link with a dairy?

| A | A manufacturer of washing machines | $\square$ |
| :--- | :--- | :---: |
| B | A manufacturer of non-ferrous metals | $\square$ |
| C | A manufacturer of white spirit | $\square$ |
| D | A manufacturer of plastic bottles | $\square$ |

(Total for Question 5 = 1 mark)
6 A business that produces wood care products reduces its emissions.
For an employee of the business this would mean:

| A | improved working conditions | $\square$ |
| :--- | :--- | :---: |
| B | improved pay | $\square$ |
| C | improved career prospects | $\square$ |
| D | inferior working conditions | $\square$ |

7 A manufacturer of aerospace satellites locates its factory near to a university.
What would be a demographic reason for this?

| A | Crime is less likely | $\square$ |
| :--- | :--- | :---: |
| B | Highly skilled labour is readily available | $\square$ |
| C | Land will be very low cost | $\square$ |
| D | Loans will be available to buy machinery | $\square$ |

(Total for Question 7 = 1 mark)
8 A manufacturer that delivers products by lorry is building a new factory.
Where should the factory be built?

| A | Near a motorway | $\square$ |
| :--- | :--- | :---: |
| B | Near a health centre | $\square$ |
| C | Near a football stadium | $\square$ |
| D | Near a car wash | $\square$ |

(Total for Question 8 = 1 mark)
9 A manufacturer of earth moving equipment is considering investing several million pounds in new tooling.

The most likely reason for this would be:

| A | to increase short-term costs | $\square$ |
| :--- | :--- | :---: |
| B | to increase long-term profits | $\square$ |
| C | to decrease the amount of rent it has to pay | $\square$ |
| D | to increase its dependence on fossil fuels | $\square$ |

(Total for Question 9 = 1 mark)
10 The law requires all manufacturers to control emissions from their factories.
The reason for this is to:

| A | reduce costs | $\square$ |
| :--- | :--- | :---: |
| B | reduce the amount of materials used | $\square$ |
| C | reduce the use of fossil fuels | $\square$ |
| D | reduce damage to the environment | $\square$ |

(Total for Question $10=1$ mark)

11 The most effective way for a cake maker to reduce its energy usage would be to:

| A | improve the efficiency of its ovens | $\square$ |
| :--- | :--- | :---: |
| B | reduce the size of the cakes | $\square$ |
| C | increase the size of the cakes | $\square$ |
| D | only bake during the day | $\square$ |

(Total for Question 11 = 1 mark)
12 Which manufacturing sub-sector produces ships?

| A | Chemicals, polymers and pharmaceuticals | $\square$ |
| :--- | :--- | :---: |
| B | Processing and print | $\square$ |
| C | Textile and clothing | $\square$ |
| D | Engineering manufacture | $\square$ |

(Total for Question 12 = 1 mark)
13 Which one of the following is made by the food and drink manufacturing sub-sector?

| A | Aspirin | $\square$ |
| :--- | :--- | :---: |
| B | Snack bars | $\square$ |
| C | Packaging | $\square$ |
| D | Cutlery | $\square$ |

(Total for Question 13 = 1 mark)
14 Which manufacturing sub-sector produces man-made fibres?

| A | Processing and print | $\square$ |
| :--- | :--- | :---: |
| B | Engineering manufacture | $\square$ |
| C | Chemicals, polymers and pharmaceuticals | $\square$ |
| D | Textile and clothing | $\square$ |

(Total for Question 14 = 1 mark)

15 Which one of the following is made by the chemicals, polymers and pharmaceuticals sub-sector?

| A | Plastic bottles | $\square$ |
| :--- | :--- | :---: |
| B | Paper | $\square$ |
| C | Packaging | $\square$ |
| D | Cardboard | $\square$ |

(Total for Question 15 = 1 mark)
16 Which one of the following is made by the textile and clothing sub-sector?

| A | Wet suits | $\square$ |
| :--- | :--- | :---: |
| B | Leather gloves | $\square$ |
| C | Spectacles | $\square$ |
| D | Fibreglass | $\square$ |

(Total for Question 16 = 1 mark)
17 Which manufacturing sub-sector decommissions nuclear power stations?

| A | Chemicals, polymers and pharmaceuticals | $\square$ |
| :--- | :--- | :---: |
| B | Processing and print | $\square$ |
| C | Engineering manufacture | $\square$ |
| D | Textile and clothing | $\square$ |

(Total for Question 17 = 1 mark)
18 Mass produced electrical products are manufactured in Asia because:

| A | labour costs are low | $\square$ |
| :--- | :--- | :---: |
| B | labour costs are high | $\square$ |
| C | raw materials are difficult to source | $\square$ |
| D | labour is difficult to source | $\square$ |

19 Lower production costs often result in which one of the following?

| A | Higher quality products | $\square$ |
| :--- | :--- | :---: |
| B | Lower quality products | $\square$ |
| C | Better packaged products | $\square$ |
| D | VAT registered products | $\square$ |

(Total for Question $19=1$ mark)
20 Worldwide competition in the car manufacturing industry has resulted in which one of the following?

| A | More work for people assembling cars in the UK | $\square$ |
| :--- | :--- | :---: |
| B | Less work for people assembling cars in the UK | $\square$ |
| C | Reduction in manufacturing quality | $\square$ |
| D | Reduction in manufacturing efficiency | $\square$ |

(Total for Question 20 = 1 mark)
21 Which one of the following situations would result in a manufacturer having to pay the most for raw materials?

| A | Lots of the raw materials available and a high level of <br> demand for the materials | $\square$ |
| :--- | :--- | :---: |
| B | Lots of the raw materials available and a low level of demand <br> for the materials | $\square$ |
| C | A small amount of the raw materials available and a high <br> level of demand for the materials | $\square$ |
| D | A small amount of raw material available and low level of <br> demand for the materials | $\square$ |

(Total for Question 21 = 1 mark)
22 Changes in currency exchange rates would have the biggest effect on companies that compete in which of the following markets?

| A | Local | $\square$ |
| :--- | :--- | :---: |
| B | Regional | $\square$ |
| C | National | $\square$ |
| D | International | $\square$ |

23 A manufacturer of ice cream has to increase the selling price due to an increase in the cost of the milk used.

This increase would result in which one of the following?

| A | Increased sales | $\square$ |
| :--- | :--- | :---: |
| B | Increased fixed costs | $\square$ |
| C | Reduced business | $\square$ |
| D | Reduced number of dairy cows | $\square$ |

24 A manufacturer of clothing distributes its products throughout Britain and is considering relocating to reduce distribution costs.

Which location on the map below would make distribution costs the cheapest?


| A | 1 | $\square$ |
| :--- | :--- | :---: |
| B | 2 | $\square$ |
| C | 3 | $\square$ |
| D | 4 | $\square$ |

(Total for Question 24 = 1 mark)
25 Which one of the following costs must an employer take into account?

| A | Subsidised food for employees | $\square$ |
| :--- | :--- | :---: |
| B | Minimum hourly wage rate for employees | $\square$ |
| C | Payments towards private health care for employees | $\square$ |
| D | Providing employees with a company car | $\square$ |

(Total for Question 25 = 1 mark)

26 Manufacturers are often encouraged to reduce packaging for environmental and cost reasons.

Packaging that has been reduced must still:

| A | advertise the contents | $\square$ |
| :--- | :--- | :---: |
| B | display the price of the contents | $\square$ |
| C | protect the contents | $\square$ |
| D | allow easy access to the contents | $\square$ |

27 The cost of making a wooden cabinet is as follows:
Materials $£ 11.23$
Labour $£ 17.39$
Distribution £3.33
What is the total cost of making one cabinet?

| A | $£ 31.59$ | $\square$ |
| :--- | :--- | :---: |
| B | $£ 31.95$ | $\square$ |
| C | $£ 35.91$ | $\square$ |
| D | $£ 319.50$ | $\square$ |

(Total for Question 27 = 1 mark)
28 A radiator costs $£ 12.50$ to manufacture.
If the radiator is sold at a $28 \%$ profit what is the selling price?

| A | $£ 12.78$ | $\square$ |
| :--- | :--- | :---: |
| B | $£ 15.20$ | $\square$ |
| C | $£ 16.00$ | $\square$ |
| D | $£ 40.50$ | $\square$ |

(Total for Question 28 = 1 mark)

29 The total cost of producing magazines consists of fixed and variable costs. These are shown on the graph below.


Using the information from the graph, what is the fixed cost of producing this magazine?

| A | $£ 5.00$ | $\square$ |
| :--- | :--- | :---: |
| B | $£ 10.00$ | $\square$ |
| C | $£ 15.00$ | $\square$ |
| D | $£ 20.00$ | $\square$ |

(Total for Question 29 = 1 mark)
30 A baker produces a pizza every 10 minutes for 4 hours.
Each pizza has a value of $£ 2.50$.
What is the total value of pizzas made in 4 hours?

| A | $£ 10$ | $\square$ |
| :--- | :--- | :---: |
| B | $£ 25$ | $\square$ |
| C | $£ 60$ | $\square$ |
| D | $£ 100$ | $\square$ |

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