

FOR OFFICIAL USE

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G

KU DM

Total

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**4200/402**

NATIONAL  
QUALIFICATIONS  
2007

MONDAY, 14 MAY  
10.20 AM – 11.35 AM

**BUSINESS  
MANAGEMENT  
STANDARD GRADE**  
General Level

**Fill in these boxes and read what is printed below.**

Full name of centre

Town

Forename(s)

Surname

Date of birth

Day Month Year

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Scottish candidate number

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Number of seat


- 1 Read each question carefully.
- 2 Attempt **all** the questions.
- 3 All answers are to be written in this answer book.
- 4 Do **not** write in the margins.
- 5 Before leaving the examination room you must give this book to the invigilator. If you do not, you may lose all the marks for this paper.



Marks

	KU	DM
2		
4		
2		

1. Study the information below and then answer the questions that follow.



Greggs plc has as one of its aims to be Europe’s finest bakery by providing quality goods and services to customers. Their purpose is “the growth of our business for the benefit and enjoyment of all our stakeholders”.

People are very important to them and whenever possible recruitment for promoted posts is done internally.

**Adapted from Greggs website**

(a) Explain the terms:

**goods** \_\_\_\_\_  
\_\_\_\_\_

**services** \_\_\_\_\_  
\_\_\_\_\_

(b) Suggest and justify **2** ways in which Greggs plc could grow in size. Give **2 different** justifications.

Suggestion 1 \_\_\_\_\_  
Justification \_\_\_\_\_  
\_\_\_\_\_

Suggestion 2 \_\_\_\_\_  
Justification \_\_\_\_\_  
\_\_\_\_\_

(c) Give **2** reasons why Greggs plc may **want** to grow in size.

1 \_\_\_\_\_  
\_\_\_\_\_  
2 \_\_\_\_\_  
\_\_\_\_\_

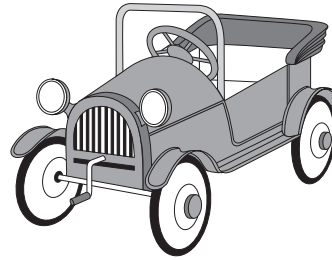


Marks

KU	DM
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2. Study the information below and then answer the questions that follow.

Malik Co Ltd manufactures toy cars. Below is a table showing its fixed costs and variable costs of production.



COSTS OF PRODUCTION		
Output	Fixed Costs	Variable Costs
1000	10,000	30,000
2000	10,000	45,000
3000	10,000	60,000
4000	10,000	70,000

(a) Explain the terms:

(i) Fixed Costs \_\_\_\_\_  
\_\_\_\_\_

(ii) Variable Costs \_\_\_\_\_  
\_\_\_\_\_

2

(b) Give an example for Malik Co Ltd of:

(i) A Fixed Cost \_\_\_\_\_

(ii) A Variable Cost \_\_\_\_\_

2

(c) What **sector of industry** does Malik Co Ltd operate in?

\_\_\_\_\_

1

(d) Name **one other** sector of industry.

\_\_\_\_\_

1

**[Turn over for Question 3 on *Page six***



Marks

	KU	DM
4		
1		
2		

3. (continued)

- (c) Other than using new packaging, suggest and justify **2 ways** in which new customers could be attracted. Give 2 **different** justifications.

Suggestion 1 \_\_\_\_\_

Justification \_\_\_\_\_

\_\_\_\_\_

Suggestion 2 \_\_\_\_\_

Justification \_\_\_\_\_

\_\_\_\_\_

- (d) Identify a suitable **channel of distribution** which Island Bakery Organics could use to get their products to customers.

\_\_\_\_\_

\_\_\_\_\_

- (e) Suggest **2 possible reasons** why Island Bakery Organics may have decided to locate on the Isle of Mull.

1 \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

[Turn over







Marks

	KU	DM
1		
2		

5. (continued)

(d) Give **one benefit** to Loch Fyne Oysters of being involved in protecting the environment.

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(e) Suggest **2 ways** in which Loch Fyne Oysters can help protect the environment.

1

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2

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[Turn over





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