



English for Business

Level 3

Past Papers **2004**

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SERIES 1 EXAMINATION 2004
ENGLISH FOR BUSINESS

LEVEL 3

(Code No: 3041)

TUESDAY 9 MARCH

Instructions to Candidates

- (a) *The time allowed for this examination is 3 hours.*
 - (b) *Answer **all 4** questions.*
 - (c) *All questions carry equal marks.*
 - (d) *All answers must be clearly and correctly numbered but need not be in numerical order.*
 - (e) *While formal accuracy is expected, adequate and appropriate communication is essential and candidates must judge the length of their answers in this light.*
 - (f) *When you finish, check your work carefully.*
 - (g) *The use of standard English dictionaries and cordless non-programmable calculators is permitted. Candidates whose first language is not English may use a bilingual dictionary.*
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QUESTION 1

Situation

You are employed in the Finance Department of Conqueror Foods, a major producer of processed foods, including tinned and frozen fruit and vegetables. The company supplies its products to a range of wholesale and retail companies.

This morning an accounts clerk, Helen de Vries, shows you the following email she has just received from Arlestone Stores of Derby, United Kingdom, a long standing and usually reliable customer.

From: Paul Gevigne <arlestonestores@freeweb.net>
To: Helen de Vries <helen@conqueror.com>
Subject: Cash flow problems

Helen

I am aware that you are owed £6,500 following the receipt of our latest order from you. I am sorry to say that we are experiencing cash flow problems following the bankruptcy of one of our largest customers, who owed us considerably more than this, and a major unpaid tax demand following confusion with our submitted accounts last year. Under the circumstances, I hope you can extend the payment terms, without imposing any late payment penalties which would only make our problems worse.

You will soon be receiving our new order for your products. We hope to increase our orders because your range of bottled soft fruits in natural juice has been very popular. The bottled raspberries have become one of our best sellers. I hope you will still execute this order as our cash flow problems are likely to be temporary and we are confident that we will be able to meet our commitments fully in the near future.

Thank you for your assistance

Kind regards

Paul Gevigne
Store Manager

You speak to your company's Finance Manager, Mr Franz Richter, who says:

"This is a bit of an awkward situation. I've heard rumours about Arlestone Stores and they do seem to be having major difficulties. They have been a good customer of ours for many years now and it won't do us any good if they go bust. So I'm prepared to give them, say, another month. We shouldn't really make any exceptions to the "penalties for late payment" rule, but maybe we can on this occasion, as long as we make it clear that it is a one-off and they shouldn't shout about it to other customers of ours.

"I'm less happy about letting them have another order. We do have a rule that we don't allow any credit for anyone who has previously defaulted with a bill. It really will have to be cash up-front until we know that they are out of trouble. I know this sounds a bit harsh but we're in business too, so we can't be too sentimental.

"Please draft a letter (use my signature) to Arlestone Stores. Be as supportive and tactful as you can when you break the bad news to Paul. You know it is company policy to send this type of correspondence by recorded delivery post, so there's no confusion as to whether they receive it or not".

Arlestone Stores' full address is 219 London Road, Derby DE4 7SA.

Task

Write the letter for Mr Richter to sign. You can assume that your company's headed notepaper is used.

(25 marks)

QUESTION 2

Situation

You are employed by a small company called Magpie Products. The company is located in the centre of town.

The business has done well in recent years and the staffing level has grown. One problem the company has faced is that the car park is now not large enough to accommodate all the staff's cars and there is limited space for parking in the streets surrounding the premises.

The only possibility for increasing car-parking space is to convert a small landscaped area in front of the offices. This is a garden which staff can visit during lunchtimes and has a small lawn where some members of staff like to play football. If this area was converted into a car park it could accommodate many of the additional spaces needed.

The company manager, Mr Andreas Decker, has told you that many members of staff have complained about the lack of parking spaces but many others have protested strongly about the possible loss of the garden facility. Mr Decker proposes to discuss the issue at the next meeting of the Board of Directors, but before such issues as costs are considered, he has asked you to prepare a report for him on the staff's attitude towards the loss of the garden and the possible gaining of additional parking space.

The results of your research are as follows:

Poll of Staff

Given the choice of additional car-parking space or continued garden usage, the results were these (percentage of staff choosing each option):

- Additional car park – 64%
- Stay as garden – 27%
- Don't know / no view – 9%

Car Usage

Average number of cars being brought to the company every day: 120

Current car parking spaces available: 80

Maximum additional spaces that garden could provide: 30

Number of cars that could be brought to the company each day if there was unlimited car parking space: 150

Staff usage of garden area in last 6 months:

- Use garden regularly: 28%
- Use garden occasionally: 34%
- Never use garden : 38%

Selected comments from staff:

"The garden is a nice feature, but the lack of parking spaces is dreadful. I'm thinking of getting a job elsewhere".

"It would be terrible to cut down all those mature trees at the southern end of the garden. Can't we keep just a little of the garden with a few seats perhaps?"

QUESTION 2 CONTINUED

“Let’s be honest, hardly anyone really uses the garden. There’s a lovely park only a few minutes walk away for those who enjoy nature”

“The garden can only be used when the weather is suitable. It’s no use most of the time.”

“We need a car park, of course, so the garden has to go. But can’t we come up with any other ideas? A roof terrace for outdoor lunches would be great – the views would be wonderful!”

“Yes, I suppose a car park is necessary. But it would spoil the view from the offices.”

“No question – its ridiculous that we can’t park inside the grounds. When you park in the streets nearby (if you can find a space, that is) your car just isn’t safe.”

Task

Write a report for Mr Decker, making appropriate recommendations.

(25 marks)

QUESTION 3

Situation

You are employed by a large e-business (a company that trades by the use of the Internet). The company has invested heavily in producing a complex website which it uses for providing information and various services. One of its major sources of revenue has been the selling of advertising on its website, but this has become a highly competitive field and advertising revenues have fallen substantially in recent months.

One possibility that is now being considered is to charge those who visit the website. The traditional view is that "paid-for" sites will never compete with free sites, but you recently attended a conference where a major speaker was Dr Koyser Chowdhry who believes that paid-for websites are inevitable and desirable in many ways.

The following is a transcript of a recent speech by Dr Chowdhry on this subject.

Good morning, ladies and gentlemen.

You will be aware that I have gained some notoriety as I tend to defy conventional business wisdom. Well, I won't disappoint you.

Let me start by saying something which I know will be true. Many of you here today who have been involved in e-business will have experienced a fall in revenue from your advertisers. This was inevitable – in fact, you were the victims of your own success. The e-business pioneers made such large profits from advertising that it was always sure to be the case that the field would become flooded as tens of thousands of websites were created. However, there was simply not sufficient advertising to go round, so many sites perished and those that survived now face economic reality.

So you now have a website that is very expensive to maintain, you face competition for your customers and your advertising revenue is falling. What do you do? Well, one thing you can do is make a charge for visiting the site.

Yes, I can hear your reaction. If you charge, you are afraid your customers will switch to the "still free" competition in droves. But what will they find at these sites? Companies struggling to produce a quality website and unable to provide a full range of services, whereas you would now have additional revenue to improve your website and your services. And what of those who do "jump ship"? Many of those will be "browsers" or those who are not serious in wishing to use your service. With a charge you are left with serious customers only – those who will appreciate rising levels of service and who will continue to generate revenue.

But how do you charge? The simplest method is to ask customers for a subscription for a period of time, maybe a month or a year. You then give subscribers a password for them to be able to access the website. You can offer incentives, perhaps – you could offer a free trial period, or make part of the site still free. Both of these would entice victims, sorry, customers to subscribe.

There is another method of charging which is taking a "cut" of the telephone bill the customer is paying to use the Internet. There are various ways of doing this but the best one is to use a system known as "drop dialling". When a customer visits your site, they have to stop using the existing line which connects them to the Internet and dial your number instead, where they are charged a set rate per minute. The user then pays through the telephone bill, so they might not even notice the additional charge.

I have been accused of being cynical and obsessed with profit when I suggest charges to visit websites. Well, if you are providing a website as a philanthropic service for the public, please continue to provide free access. But if you are running a business, then what is wrong with making a profit? It is much better than the alternative!

Thank you

QUESTION 3 CONTINUED

Task

Answer the following questions in your own words as far as possible to show understanding of the information given.

- (a) What does Dr Chowdhry mean when he says “I tend to defy conventional business wisdom”? (3 marks)
- (b) Why have e-businesses experienced a fall in advertising revenues? (3 marks)
- (c) What do many businesses fear will happen immediately they impose a charge for visits to their websites? (2 marks)
- (d) What main advantage do you have over “still-free” competitors when you make a charge for visits to your website? (3 marks)
- (e) Why is it not a major problem if you lose a certain group of visitors to your website? (3 marks)
- (f) If you make a subscription charge, how can you ensure that only those who pay can visit your website? (2 marks)
- (g) What methods could be used to persuade customers to pay a subscription to visit your websites? (2 marks)
- (h) How does “drop-dialling” generate revenue for a website provider? (4 marks)
- (i) Who does Dr Chowdhry suggest should continue to offer free access to websites and why does he make this suggestion? (3 marks)

(Total 25 marks)

QUESTION 4

Situation

You work in the Administration Department of a large manufacturing company as an assistant to the Administration Manager, Ms Agatha Babinska. The company has many branches in various parts of the world. Some senior staff in these branches have asked for guidance as to how they should deal with requests for references from former and existing members of staff who have applied for jobs with other organisations.

Ms Babinska is aware that there are no company policies on this issue; it is left to staff in the branches to provide references however they wish, as they are familiar with the qualities of the person who has asked for the reference.

Ms Babinska and the Human Resources Department of the company are now planning to produce and publish a company-wide policy, but it could be several months before this is available. In the meantime you have been asked to speak to Mr Charles Rossi, the Human Resources Manager, to gain his advice on the major issues. You should then produce a memo to be sent to each branch explaining the situation and giving advice on the major factors to consider when providing a reference for an existing or former employee. Your conversation with Mr Rossi was as follows:

QUESTION 4 CONTINUED

- You: I know this is a difficult area and I imagine that it is not helped by the fact that we operate in different countries with different legal systems.
- Mr Rossi: That's true, but international law is not a huge problem. Generally, if you provide a reference that is accurate and fair, you're not going to break the law.
- You: That's good. But can we come back to that? First of all, can you refuse to give a reference?
- Mr Rossi: Well, no-one is under any obligation here. But if you don't give a reference it will always give a bad impression of the applicant to a prospective employer. And we, as a company, expect other organisations to provide us with references for our applicants, so it's only fair that we should provide them. To be honest, sometimes our colleagues overlook this last point.
- You: OK. But what if someone has been a very poor employee, or possibly has been dismissed. I know in one branch recently a person was sacked for theft and he then asked for a reference. Do we have to be honest about this?
- Mr Rossi: As long as what we say is true we have a duty to be honest. But we should also be fair. I remember a young man who worked in the Finance Office. He was a very likeable, caring person, but totally unsuited to accountancy – he was hopeless with figures! He left the company, but we supported his application to become a social worker. We should comment honestly on the suitability of someone for the particular job.
- You: What about existing employees who are excellent and we don't want to lose them? Must we be honest in a reference or should we give a poor reference to make sure they don't get the job?
- Mr Rossi: (*laughing*) I know exactly what you mean here. I can't condone this at all. It's unfair to penalise a good employee and, be honest, you would not want this to happen to you, would you? And it's likely that our new policy will include the rights for all employees to see their own references, so again, honesty is the best policy.
- You: Sometimes people use the telephone to ask for a reference. Can we be a bit more informal or honest then?
- Mr Rossi: Certainly not. A spoken reference has the same validity as a written one. The difference is that on the phone, you are often put "on the spot" and asked to give an immediate response, whereas when you write a reference you can give it some thought. That's why we encourage people to ask for written references, unless there isn't time for this.
- You: All of this seems to underline the first point you made about being fair and honest.
- Mr Rossi: Exactly. You need to be careful in how you express yourself because your choice of a word or a phrase can give an impression that might not be intended. But if you make sure that you can support everything that you say, and that the reference can not be misconstrued, then you have done your job.
- You: That's very helpful. Thanks for your help.

Task

Write a concise memo that can be sent to each branch manager to explain the situation and offer advice as to how to deal with requests for references.

(25 marks)



SERIES 2 EXAMINATION 2004
ENGLISH FOR BUSINESS

LEVEL 3

(Code No: 3041)

WEDNESDAY 28 APRIL

Instructions to Candidates

- (a) *The time allowed for this examination is 3 hours.*
 - (b) *Answer **all 4** questions.*
 - (c) *All questions carry equal marks.*
 - (d) *All answers must be clearly and correctly numbered but need not be in numerical order.*
 - (e) *While formal accuracy is expected, adequate and appropriate communication is essential and candidates must judge the length of their answers in this light.*
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-

QUESTION 1

Situation

You are employed as Assistant Manager in a local branch of the *First Providential Bank (FPB)* in the small town of Crossroads. The bank's head offices are in the capital city of your country.

The FPB head office has sent your Manager, Ms Sophie Van Dyke, the following letter. The handwritten comments were added by the Customer Services Manager at head office, Mr Robert Sibonga.

21 May 2004

86 Central Avenue
Crossroads

Dear Sir or Madam

Would you write to this person, please? I've sent him a response thanking him for his letter but I said that you would give a more detailed reply.

Thanks

Poor service at the Crossroads branch of FPB

I have been a client of FPB for over 25 years but I am becoming increasingly unhappy about the poor service I am receiving at my local branch. I visit other parts of the country and I seem to continue to receive the expected quality of service in all other branches.

The main problem is the slow service at the Crossroads branch. There are always long queues – on my last visit I had to wait 20 minutes to be served. And some of the staff are not very polite. When I complained about the time I had waited, the clerk (Thomas, according to his name badge) was quite abusive.

There was also a problem recently about your new High Interest Savings Bond. This was advertised widely but the staff at Crossroads seemed to know nothing about it.

Unless the service improves I must seriously consider moving my account to another bank,

Yours faithfully

John Lee

John Lee

The High Interest Savings Bond fiasco was the fault of head office, I'm afraid. We postponed the launch for a week so we could notify all branches of the details in full but the national advertising campaign still went ahead. So it is true, customers saw the adverts before staff in the branches knew about it. Sorry about this.

Ms Van Dyke asks you to draft a letter to Mr Lee as customer relations is one of your responsibilities. She says this to you:

"I'm glad head office has admitted that they made a mistake about the High Interest Savings Bond. I'm surprised that we didn't receive more complaints about this.

"He does have a point about delays. We have been short-staffed for some time now. In fact this was partly head office's fault because they took a long time to sanction the replacements when 2 of our staff retired 3 months ago. I'm surprised he had to wait 20 minutes, though. I suspect he's exaggerating but we'd better be careful what we say. You could point out that if he switches his accounts to our postal or e-banking service he will not have to visit the branch as often. Send

QUESTION 1 CONTINUED

him some leaflets about these. However, now we're back to our full complement of staff, I hope the queues will not be as long.

"I'm not surprised it was Thomas who was, allegedly, rude to him! I've spoken to Thomas before as not everyone appreciates his sense of humour.

"Be as tactful as you can to Mr Lee; we don't want to lose his accounts as he has a large amount invested with us. You can explain that it's not really the branch's fault, but don't forget that we'll have to send a copy to head office."

Task

Write the letter as instructed. You can assume that the bank's headed paper is used.

(25 marks)

QUESTION 2

Situation

You are employed in the Administration Section of a local government department. The manager of the department has recently been informed that not all of the budget for training has been spent and funds are available for various aspects of staff training and development.

The manager of the department, Ms Sylvia Rabino, has suggested that lunchtime staff development sessions for all staff could be re-introduced. These were offered several years ago but ended when funding expired. Various courses were provided for staff during the lunch hour. These were popular and well attended.

Ms Rabino has asked you to investigate if providing these courses again would be popular, and if so how they could be organised and what topics should be offered. You therefore interviewed the Training Manager, surveyed staff opinion, and obtained the views of members of staff of the department.

The results of your investigation are as follows:

Interview with Training Manager

"I've done the sums on this. We have funding up to the end of August and we could afford to offer 10 hours of training which would be free to staff.

At lunchtime, we are constrained by the time available. By the time they have had their lunch, staff only have time for a 30-minute session. If we started in mid-June, we could offer two 30-minute sessions on different days of the week for 10 weeks. However, there are various ways of delivering this, but what worked well before was that we organised programmes of 5 sessions. So, we could offer 4 programmes, each of 5 sessions on 2 different lunchtimes, starting mid-June and going on until the end of August. I hope this makes sense."

From survey of staff.

Would you be interested in lunchtime training sessions?

Yes 81% No 15% Don't know 4%

If offered, which lunchtimes would you prefer?

Monday	10%
Tuesday	31%
Wednesday	18%
Thursday	38%
Friday	3%

Which topics would interest you? (NB: staff could choose more than one)

Foreign languages	46%
Keep fit / Yoga etc	47%
Home maintenance / car maintenance	6%
Literature / drama	19%
Cooking / diets	27%
Politics / current affairs	15%

QUESTION 2 CONTINUED

Selected comments from staff.

“Oh yes! The lunchtime staff development sessions were excellent. We all enjoyed them. As long as they are purely recreational and not directly to do with work I'm sure there would be a lot of support.”

“I would certainly be interested. I get bored at lunchtime once I've had lunch.”

“It's a good idea, but not everyone stays at work at lunchtime. I have family commitments and have to go home. I know there aren't many like me but we do miss out on these things.”

“No – classes don't interest me. Too much like school. I like to relax at lunchtime.”

“This is a wonderful idea. Not only do we learn something but we get to know each other better. It's very good for staff morale.”

Task

Write the report as requested by Ms Rabino, with appropriate recommendations.

(25 marks)

QUESTION 3

Situation

You are employed in the sales department of a large company, Purposeful Products. The company trades substantially on-line by making use of its website as an advertising and selling system.

Purposeful Products employs a range of staff with high levels of expertise in this area, but few of your colleagues have much experience of eCommerce abuse or fraud. At a recent meeting a member of staff from one of the largest companies in the area indicated some of the problems that can arise from deliberate or accidental abuse by other organisations or individuals. They recommended that you contact a local firm of lawyers who offer a service to companies in the area.

You speak to Mr Dennis Rochefort, a senior partner in the law firm, who says this to you:

“eCommerce abuse is big business. It’s estimated that this costs companies worldwide about \$25 billion every year. There’s a whole range of problems that can arise. A common problem is that what we call a *cybersquatter* registers a website with a similar name to your organisation and so picks up many people who want to visit your site. Then there are unscrupulous organisations that register sites with names that include all possible typing or spelling errors that visitors to your site could make. Don’t be surprised if your rival companies are doing this to try to steal your customers. I could go on. Individuals with sites find other ways to your site, without your authorisation or knowledge, in order to gain access to your site’s visitors. Some of these sites contain information that is objectionable, and you could be affected by customers associating your name with this kind of material.

“Can I draw your attention to our Brand Check Services? There are various things we can do to help. I’ll send you our leaflet and please get back to me if you need any further assistance.”

This is the leaflet you received.

Brand Check Services

We can now offer a new solution to your eCommerce abuse problems – problems you probably do not realise you have! We combine the latest international legal advice with state-of-the-art technical advice to offer 3 services.

- 1 **Site check:** We can identify up to 100 websites that might be linking to your site without your being aware of this. We then report on how they are using this access.
- 2 **Quick search:** We make a check to see if anyone has registered a site name which is the same or similar to yours.
- 3 **Full search:** This is the most extensive and most expensive service. Not only do we search the net for names that are similar to yours but we identify any abuse of the names and provide a full service of advice on how to combat abuse.

As the World Wide Web crosses national boundaries, laws on abuse vary in different parts of the world. However, our expert team of legal advisors is constantly updating its knowledge and can provide solutions that apply wherever the abuse originates.

Task

Answer the following questions in your own words as far as possible to show your understanding of this aspect of eCommerce abuse.

- (a) What is a cybersquatter? (3 marks)
- (b) State which of the services on offer is most likely to detect cybersquatters. (1 mark)
- (c) Why do unscrupulous companies register names that include all possible errors that could be made by visitors to a rival's site? (3 marks)
- (d) Why can it be bad for companies when unauthorised links are made to their websites? (3 marks)
- (e) What is the difference between the **Site check** and the **Quick search** services? (3 marks)
- (f) What 2 different forms of expertise are offered by Brand Check Services? (4 marks)
- (g) Why is the law on eCommerce abuse particularly complicated? (3 marks)
- (h) Your colleagues believe that some rival companies might be linking to your site to access your customers. Say which of the services on offer is likely to be the most appropriate one to use and give reasons for your choice. (5 marks)

(Total 25 marks)

QUESTION 4

Situation

You are the Sales Manager of a large company, *Vokation*. You are responsible for a team of 20 sales staff who are in constant contact with customers in many parts of the world. The sales staff constantly travel to visit customers.

Because communication with the sales staff is so important to *Vokation* they have been issued with state of the art mobile or cell phones with text facilities to enable them to remain in contact with customers and the company.

Recently you have been contacted by the company's Health and Safety Officer, Ms Claudia Wosniak, and also the company's Chief Executive, Mr Ben Shearer, who have brought to your attention 2 separate but related issues.

Ms Wosniak said this to you:

"One of my jobs is to check reports of any accidents involving company staff or property. There have been 2 minor motoring accidents concerning your staff recently, as you probably know. Fortunately neither was serious and no-one was hurt but it does seem that both these accidents could have been caused because the drivers' concentration lapsed when they were using a mobile phone.

"I'm worried about this. It's against the law everywhere to drive without taking due care and attention and if you're using a phone when driving – well, it's asking for trouble.

"I know your staff must be contactable but they must be made aware of the risks they take unless they have a 'hands-free' adaptation in their cars. Even then it's a bit risky to have an intense conversation which could distract them from the road. I'll leave it up to you how you handle this but I'd rather we did something now before we get into more serious trouble".

The Chief Executive says to you:

"Look, I know how hard your team works and it's great to see our sales figures improving every year. But I'm sorry to say that I've just come from a meeting with our directors and one of them, Michael Gray, was very angry. He was returning from holiday with this family and was waiting in the lounge at Changi Airport in Singapore. He said that the young man sitting next to him was using his mobile phone and it soon became clear that it was one of your sales team. He picked up the name 'David' and from the description I would guess it was David Levy. They've never met so they didn't recognise each other, of course.

"Apparently this David was not very discreet and everyone could hear details of the conversations. Mr Gray felt it was better not to cause any embarrassment at the time so he said nothing, but was concerned that anyone could have picked up information about the company which should have remained confidential.

"Mr Gray doesn't want his name mentioned and please don't accuse any particular member of the team as I'm sure young David isn't the only one guilty of this. But could you remind your team to be a little more careful about when and how they use their mobile phones?"

You feel that this is now an appropriate time to remind your staff about the dangers of incorrect mobile phone usage. You know that your staff work hard and how important it is that they remain in contact with customers.

Task

Write a memo that could be sent to all members of the sales team. You should try to offer positive suggestions as well as drawing their attention to the problem issues.

(25 marks)



SERIES 3 EXAMINATION 2004
ENGLISH FOR BUSINESS

LEVEL 3

(Code No: 3041)

MONDAY 14 JUNE

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QUESTION 1

Situation

You work in the Administration Section of *Bard to Verse Press*, which publishes books of modern poetry. It is a small organisation but it has a good reputation because of its policy of publishing new work mainly from young people.

Each year *Bard to Verse Press* publishes a collection of poems from poets who have never previously had any of their work published. The 2004 edition of the book was published recently and the Managing Editor of the publishers, Mr Kuldip Bains, has given you a letter that he has received from a well known poet, Mr Claude Santiago.

117a Riverside Tower
Midtown MD6 4JY

11 June 2004

Dear Sir or Madam

New Works 2004

As always, I found your latest collection of poems from new poets to be very interesting, and you are to be congratulated for giving young people the opportunity to have their work published.

I was particularly interested in one of your “new” poems, “Tracking the Span” (p.47), which someone called Danielle Leipka claims to have written. This is a particularly fine poem reflecting on the insecurities of adolescence – which I wrote! It was published in my book “Reflections” in 1997. Ms Leipka has simply copied my work, word for word.

I’m surprised that you do not have some way of checking that work is original, and as you have published my work, I will expect to receive a fee. I suspect you have breached copyright laws and I could sue you but I’m sure we would both prefer that we did not have to go to court.

I look forward to your reply

Yours faithfully

Claude Santiago

Claude Santiago.

Mr Bains says:

“Oh dear! As far as I know this has never happened before in the 12 years we have produced “New Works”. You know how the system works – everyone who has a poem published has to sign to say that it is an original work and we had no reason to suspect that it was not original. You’d better not say this to Claude, but we all thought “Tracking the Span” could only have been written by a woman!

“Please have a word with John Oliver, who edited this book, and also our Finance Department (I don’t know what we should do about fees) and draft a reply to Claude Santiago, for me to sign.”

QUESTION 1 CONTINUED

John Oliver tells you:

“Over 300 poems were submitted for “New Works 2004” and a panel of judges, chaired by the Professor of Literature from the local university, chose the best 50 for publication. Some entries were copies and we normally spot these quite easily because, to be honest, they are too good to be from inexperienced poets. I remember one year a 14 year old tried to pass off a poem by Shakespeare as his own work! However, “Tracking the Span” was not spotted as Mr Santiago’s work and it should have been.”

Your advice from the Finance Department is that none of the poets from “New Works” received a fee – the publicity was considered sufficient reward. Under the circumstances, however, the department will negotiate a fee with Mr Santiago and he will hear from them.

You have been unable to contact Danielle Riepka, who does not appear to live now at the address she gave previously.

Task

Write the letter, for Mr Kuldip Bains’ signature as requested. You can assume that *Bard to Verse Press* headed notepaper will be used.

(25 marks)

QUESTION 2

Situation

You are employed by 4D, a small but very successful business in your area. The company has very strong links with local schools, and has recently sponsored a “Young Enterprise” scheme. Older students of Business Studies in 5 schools have set up a number of business enterprises, and each school has nominated its most successful business ideas. 4D will now decide which is the best business idea and donate a prize to the school.

The owner of 4D, Mr Paul Kawolski says this to you:

“The schools have sent in their nominations and they all look very interesting to me. I would like you to investigate each one and let me have a report. Could you also recommend which one should receive the prize? Remember, we are looking for the most interesting and original idea that is likely to be a long term success – not just the one that has involved the most students or made the most money in the short term.

“The product should be something easily made in the school. Remember also that we are very proud of our environmental record, so any scheme that is environmentally friendly should be looked on favourably.

“I know it will be a difficult choice and I’ll make sure that each enterprise gets something. But we do have to choose the best one on these grounds, so please let me have a full report with your recommendation.”

You visit each of the schools and your notes on each enterprise are as follows:

SCHOOL A

Set up an enterprise selling personalised items (eg, clocks, mugs, mouse mats, etc). Customers supply photographs which we then put on blank items bought in by enterprise. Popular as presents (birthdays, etc) involves 4 students – mouse mats very popular – some competition from other companies in area. Dependent on suppliers for raw materials but can print the items in school Art Department. Don’t know how long prints will last (only in business for a year).

SCHOOL B

Produces wooden name plaques, engraved to meet wishes of customers. Can do this “bespoke” (ie, customer makes individual order) – but also can mass-produce plaques with standard names or house numbers – can be produced in wood-work section – coated with protective paints – last a long time – make them from supply of old wood that would otherwise be scrapped. Some engraving skill required – but range of skills needed from group of 6 students. Great demand for product – little competition locally.

SCHOOL C

Group of girls (all-girls’ school) produced personalised clothing and accessories for “younger teens” age group (13 –15) – often have difficulty in finding designer clothes (not children) – make items in School Crafts Room – clothes quite expensive – difficult to compete with mass-produced items – popular with children in school. Some very interesting items – sell from school and at local craft markets, 8 students involved – and 1 teacher.

SCHOOL D

Produces cookery books for children – friends, parents, etc, send in recipes – book illustrated by students. Produces seasonal books for religious festivals or holiday time. 6 students very enthusiastic – produce books in Art Room – can print books cheaply – sell by mail order. Possibly will run out of recipe ideas?

QUESTION 2 CONTINUED

SCHOOL E

Group of 8 students produced interactive CD – Young person's tourist guide to the area – information, videos, etc, on main attractions of the area from young person's perspective. Once made, easy and cheap to reproduce in school. Some competition (CDs made by Tourist Board) but not many products for young people. Students need much technical advice from teachers – but very enthusiastic – product sells well – popular with students moving into area.

Task

Write the report as requested. You should summarise the main points and make a recommendation based on the given criteria.

(25 marks)

QUESTION 3

Situation

You are employed by *Eldon Goods*, a manufacturing company in your area. The company has grown considerably in recent years and is now looking for further expansion.

As part of its marketing initiative, the company hopes to have a presence at various exhibitions and trade fairs and shows in the future. *Eldon Goods* has little experience of this area of marketing, so you have been asked to investigate how exhibitions can best be made to work to your advantage.

You speak to a major exhibition organiser, who tells you that there are *Ten Top Tips*, as follows. You should read these carefully as you will need to explain the issues involved to colleagues.

TEN TOP TIPS

- 1 Make sure you get a prominent site at the exhibition and use the space to your best advantage. Make sure your “logo” is visible in all directions. Use the full height of the hall to make your stall stand out.
- 2 Prepare the ground carefully. Make sure that everyone who needs to know you will be at the exhibition and advertise the location of your stall.
- 3 Do something innovative during the exhibition, eg, launch a product, do a presentation, have a competition. All of this will help you stand out.
- 4 Be careful with “give-aways”. Hospitality, such as drinks or food, can attract people to your stand but not always for the right reasons. Such items can be expensive and can make the area quite “messy”.
- 5 Organise a rota or a shift system for your staff. Meeting people is tiring work and staff who look exhausted or dishevelled are not a good advertisement for your company.
- 6 Staff not working (eg, taking breaks) should leave the stand area. Potential customers do not like to see staff at stalls chatting amongst themselves, particularly if they are eating or drinking.
- 7 Train the staff involved. Make sure they know why they are there and ensure that they can understand and answer the questions that could be anticipated.
- 8 Have full information on staff and products available. Staff won’t have time to spend hours talking to one person, so make sure potential customers know who to contact.
- 9 Follow up contacts made. The success of the exhibition is measured by the business you generate from it. Make sure you contact all who leave their details, particularly potential customers or employers.
- 10 Hold a “post mortem” or an evaluation after an event. Consider what went well or badly and estimate the cost-effectiveness of your efforts. Organise future events based on your experience.

QUESTION 3 CONTINUED

Task

Using the information above, answer the following questions, in your own words as far as possible, to show your understanding of the Top Ten Tips.

- (a) What form of training will staff who are to attend the exhibition require?
(3 marks)
- (b) Apart from staff training, what other preparation should be made before the exhibition takes place?
(2 marks)
- (c) What factors should be taken into account when planning and setting up a stall at an exhibition?
(3 marks)
- (d) Apart from the factors you mentioned in question (c), what else can make a stall distinctive?
(2 marks)
- (e) What are the possible problems in giving away items from a stall?
(3 marks)
- (f) Why is it important to arrange your timetable carefully for staff involved in the exhibition?
(3 marks)
- (g) What should a company do after the exhibition has taken place?
(5 marks)
- (h) A potential customer wishes to spend a great deal of time talking to someone from the company at the exhibition. What do you think could be the problem with this, and what would you suggest that staff should do when faced with this problem?
(4 marks)

(Total 25 marks)

QUESTION 4

Situation

You are employed in the Sales Department of FXT Products. This is a multi-national company and sales staff travel extensively all over the world.

There has recently been some publicity about passengers on long haul flights being in danger of suffering from deep-vein thrombosis (DVT), potentially a dangerous medical condition.

The Sales and Marketing Director, Mr Dafyd Hughes, says this to you:

"I'm sure fears about DVT are exaggerated. I've travelled hundreds of thousands of kilometres by air and I'm still very healthy – well, for my age I suppose! But I'd like you to have a word with the company doctor, Dr Mukherjee, and look at the leaflet that the airline we use most, *InterAir*, has provided. Then please send a brief memo to all the sales team. Reassure them, if you can, and say that anyone who is really worried should come and see me. Oh – I seem to remember *InterAir* now provide some sort of exercisers. Tell staff that we'll gladly pay for these if they feel they might help. You'd better put my name on the memo, but you can write it."

This is Dr Mukherjee's advice:

"I don't suppose you need to go into details with the staff, but DVT occurs mainly (99.9% of cases) in the deep veins at the back of the calf in the leg. If muscles in this area aren't used, blood clots can form which then travel to other areas of the body. This is serious and possibly fatal. And yes, sitting immobile could bring this on.

"But I have to say this is greatly exaggerated. It only affects a tiny minority of travellers, usually those with some sort of history of blood clots or people on medication. The best way to avoid this is exercise. A walk around the cabin every few hours can reduce the risk to virtually nil, and a brisk walk around the terminal before you set off also helps.

"You should also take sensible precautions – which are good for you anyway – like staying hydrated by drinking plenty of water or soft drinks. Too much coffee or alcohol can actually cause dehydration which increases the possibility of blood clots.

"Some of the ideas of exercising while sitting are simply a waste of time. Many of these involve exercising the upper body, which is not really at risk.

"Of course, I'll speak to anyone who is worried about this, but if staff take a few sensible precautions, there's very little to worry about."

In the *InterAir* leaflet the brief section on DVT is as follows:

Passengers should remember that the occurrence of DVT is extremely rare and risks can be substantially resolved if passengers take some simple precautions. We cannot encourage passengers to leave their seats more than is necessary for security reasons, but the prevention of dehydration is a major factor. We also supply our Air Exercisers. This is a small inflatable cushion which can be placed on the floor; passengers can then carry out lower-leg exercises by pushing against it. This is good exercise for the part of the body where there is a possible risk.

Task

Write a memo that will be sent to all Sales Staff who travel by air. You should give as much practical advice as possible and be reassuring, as requested.

(25 marks)



SERIES 4 EXAMINATION 2004
ENGLISH FOR BUSINESS

LEVEL 3

(Code No: 3041)

MONDAY 29 NOVEMBER

Instructions to Candidates

- (a) *The time allowed for this examination is 3 hours.*
 - (b) *Answer **all 4** questions.*
 - (c) *All questions carry equal marks.*
 - (d) *All answers must be clearly and correctly numbered but need not be in numerical order.*
 - (e) *While formal accuracy is expected, adequate and appropriate communication is essential and candidates must judge the length of their answers in this light.*
 - (f) *When you finish, check your work carefully.*
 - (g) *The use of standard English dictionaries and cordless non-programmable calculators is permitted. Candidates whose first language is not English may use a bilingual dictionary.*
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QUESTION 1

Situation

You are employed by a small manufacturing company, *Superpots*, which produces ceramic items such as bowls, plates, plaques etc. The company is currently based in a factory and shop in the centre of the town of Bridgeton but a decision has been made to move to other premises on an industrial estate on the outskirts of the town. Although the move will not take place for several weeks, you have been asked to write a circular letter that could be sent to suppliers and customers. When the move takes place on Monday 10 January, it is likely that the company will have to close to the public for two or three days, but further information will be sent out at a later date.

Before you produce the circular letter, you speak to three senior managers who give you suggestions on what to say.

Interview with Company Manager

The staff know the real reason why we are moving. We simply can't afford the rent at our existing premises, so we are having to find somewhere cheaper. Of course, we shouldn't say this in quite these terms to our customers and suppliers, we should stress the positive aspects. The new place is actually bigger than the old place. We are currently very well located for passing trade in the centre of Bridgeton and we're on a bus route – we can't deny that. But our new place has a big car park and car parking is a nightmare in central Bridgeton. The shop is a little bigger also, so we will be able to display a lot more of our stuff. I hope this boosts our sales – we could certainly do with that.

Interview with Sales Manager

You've probably heard that the new shop is bigger than the old one, so I'm looking forward to this. We hope to introduce some new ranges of decorative plates, so we should be able to show these off very well.

We'll take this opportunity to sell off a lot of our old stock, so we'll be having a grand sale during the last couple of weeks before we move. We've got a lot of stuff that just hasn't sold very well at all, so I hope we can get rid of this if we reduce the prices. I'm sure you can express this better.

Interview with Company Secretary

We have now got a date for the move – it's 10 January. The new address is Meridian Buildings, Central Avenue, South Bridgeton Trading Estate, Bridgeton. We'll keep our present phone and fax numbers, email address and website address, but I'll make sure I've organised the printing of new stationery before the big day.

Suppliers and trade customers will find it much easier to access the new premises as we will have a large trade entrance at the back of the building.

Can't pretend that the South Bridgeton Trading Estate is as attractive as the town centre, but I'm sure you can stress the positive side of the move. We shouldn't forget that people who don't live in Bridgeton but in the towns to the south, such as Middleview or Victoria, will find it much easier to get to us.

Task

Write the letter as instructed. You can assume the company's headed notepaper is used.

(25 marks)

QUESTION 2

Situation

You are employed as an administrator by a large organisation that manages the hospital in the city of Metrovia. The organisation (the Metrovia Hospitals Trust) has recently been given funding to enable it to improve its services; it plans to build a small centre for patients who have successfully undergone major surgery and who now need a period of rest and care to recover fully.

There has been some discussion as to where this centre should be located. Fortunately, the Trust owns a large amount of land in the area and so no land purchase will be needed. The basic building costs have also been calculated. They will be similar wherever the facility is to be located.

Three possible locations have been identified and you were asked to visit these sites to give your impression. You recently made these visits and you recorded your comments using a tape recorder at each site.

A transcript of your comments appears below.

Site 1: The former hospital laundry site

Arrived here 10.15 on 25 November. This is where the old laundry was located but this was demolished about 6 years ago, I think, and the site has been empty since then. It's the biggest of the sites – about 400 metres square – really a bit too big. I'm surprised the Trust hasn't sold it off before – it's ideal for housing development. Well, it seems quiet enough here. There is a main road at the end of the site but well sheltered by a bank of trees. There are local shops and facilities for patients who can leave the centre. Oh yes, the main road seems to be a major bus route, so visitors can get here – and with a site this size we should be able to provide a car park. Actually parking's not good round here – we might have problems with local people using the car park. I've just noticed – all services are still in place here (water, drains, electricity) so that might reduce building costs but apart from the trees by the main road, not much in terms of landscaping in place here. I'm told grounds are important. We are about 7 kilometres from the main hospital site on the other side of town, so it won't be easy to travel between sites. Left site 11.00.

Site 2: Main site extension

Arrived 11.30. This was the land the hospital bought three years ago for the new Pathology Labs which were never built. So it's alongside the main site. I don't know if that's a good or bad thing, of course. Access will be much easier, but it might be better if patients were away from the main hospital. However, it has a lot of promise. It's not a very large site, about 120 metres by 90 metres but that's big enough. We're on a hill here and there are lovely views of Metrovia Central Park to the South. It looks as if some rubbish has been dumped here, unfortunately. I think it's just household and garden stuff but we'd have to have this cleared. Also the small cabin on the site has been badly vandalised – I had to chase some young people from the place when I arrived. I hope that security won't be a problem. Left site at 12.00.

Site 3: Harton Grange

Arrived here 12.15. Well, here I am at Harton Grange about 3 kilometres from the main site but I feel as if I'm in the country here. It's a lovely little place, already well landscaped. Now this site has a slightly odd history. The Trust has owned it for a long time but the records of how it came to own it have been lost. We think it was given to the Trust many years ago for the purpose we are now considering. We might have difficulty to get planning permission here if we want to build anything else but a recovery facility. But it is a lovely site – set in parkland. It's an irregular shape – more triangular than square with a long side of about 250 metres. At the top of the site is a small stream which will be a wonderful feature if it is landscaped. Then there is – what's that?

[loud noise on tape for a few seconds, then pause].

QUESTION 2 CONTINUED

Sorry, that gave me a shock. I'm standing on the edge of the site and I didn't realise that a railway line runs behind. It's a goods line and someone working on the railway tells me that there are very few trains each day and none at all at night. I assume we could insulate the building against noise but it is something we should consider.

A report on the three sites will be presented to the next meeting of the Trust's Management Committee. You should produce a helpful report but you should not make any recommendations as these will be made by the Trust.

Task

Write the report using an appropriate format.

(25 marks)

QUESTION 3

Situation

You are employed by a large retailing company. The company has heard that many of its rivals are increasing profits by using a system called *franchising*. The company has no experience of this and staff know little about it, so you have been asked to do some research on the topic.

You can then meet the staff to assist in holding an informed debate on this topic.

The results of your research are as follows:

From a business textbook:

Definition of a franchise. Franchising involves granting permission for a person or organisation to sell its products or provide its service in a particular area. The person taking out the franchise, the *franchisee*, pays a sum of money to the company selling the franchise, the *franchiser*. The franchise is then supplied with the product, equipment to make or sell the product and, more particularly, the right to use the business name or logo.

The terms of franchises can vary. Where materials are an important part of the business (eg with fast food) the franchisee might have to buy an agreed percentage of supplies from the franchiser. This can be 100%. Normally one franchisee is given the sole right to operate in a particular area

If equipment is involved, training is often provided by the franchiser.

The franchiser benefits because it does not risk its own capital in expanding the company and does not need to involve itself in the day-to-day running of the franchise. The franchisee gains by buying in to a well-known name, enjoys a local monopoly, and benefits from the publicity generated by the franchiser.

From a website: "How to buy a franchise"

If you are a prospective franchisee, you should consider that there are different stages in the development of your preferred franchise. The costs will vary enormously depending on which stage you take up the franchise, and so will the risks you take.

If you join a franchise very early in its development, you are a *Pioneer*. The fee is likely to be minimal (the franchiser will be keen to expand) and, if you are successful, you have a lot to gain. You can also benefit from the publicity of the success of other franchisees. However, the company will not be well known and there is a high level of risk that the franchise might fail.

Others prefer to join the franchise when this initial stage is over and the franchiser is establishing a reputation which you can build on. They are *Builders*. There is less risk but franchisers can now be more selective so the fees tend to be much higher. Some prefer to join the franchise when the franchiser is very well established and all development work has been done. These are *Inheritors*. Costs are high – successful franchisers are often overwhelmed by applications from prospective franchisees and can demand high fees – but the risk is minimal and there is still scope for developing business ideas to maximise profit.

QUESTION 3 CONTINUED

From “Franchising Gazette” (the leading magazine for franchisees)

Percentage of retail sales made through franchises, 2003

United States of America	32%
United Kingdom	10%
Rest of Europe	8%
Japan	12%
Rest of Asia	8%

Cost of buying a franchise varies greatly. Some can be bought for \$2,000–\$3,000 but buying into a very successful business can cost up to \$500,000.

World-wide, number of franchises doubled 1993-2003. Businesses based on franchises have a greater chance of remaining in business than those not based on franchise – new franchisee has a 60% better chance of remaining solvent than all new businesses.

Task

Using this information, answer the following questions in your own words as far as possible to show your understanding of franchising.

- (a) If you are setting up a new business, what are the main differences between starting a franchise and setting up your own independent business? (4 marks)
- (b) What is the difference between a franchiser and a franchisee? (2 marks)
- (c) What are the main advantages of franchising to the company selling the franchises? (2 marks)
- (d) What is meant by the term a “local monopoly”? (3 marks)
- (e) What are the main advantages for someone taking up a franchise as a **Pioneer**? (3 marks)
- (f) Why do you think that someone might prefer to take up a franchise at the **Builder** stage? (2 marks)
- (g) Why are fees for joining a franchise as an **Inheritor** very much higher than the fees at other stages? (4 marks)
- (h) Where in the world has there been the highest penetration of franchising? (1 mark)
- (i) From what you have read, suggest why you think that more franchises remain solvent than other types of new businesses (ie why do you think fewer franchises fail?). (4 marks)

(Total 25 marks)

QUESTION 4

SITUATION

You are employed in the Human Resources Department of a company, HV Products. It is the company's policy to encourage as many staff as possible to receive basic training in first aid and a course is about to take place. The course will be held on four successive Friday afternoons starting 7 January at 13.00; each session will last 2 hours. They will take place in the company's first-aid room and be carried out by trained staff from the local hospital. You have been asked to send a memorandum to each member of staff to inform them about the course and persuade them to attend. Attendance is not compulsory but there are clear benefits for both the company and for the members of staff.

The final session will include a practical test and those who are successful will receive a certificate. Anyone who has received recent training (within the last 2 years) need not attend but those who were trained some time ago should be encouraged to attend to up-grade their skills. Staff who normally have lunch at 13.00 can take an earlier lunch at 12.00 on the days of the course.

All members of staff who are interested in attending should obtain the permission of their supervisor or section-head. This is to ensure no departments find themselves under-staffed on these dates, although this has rarely happened in the past. It has proved difficult in the past to encourage staff to attend such courses.

You need to produce a memorandum to be sent to each member of staff; this should include a returnable reply slip so prospective participants can indicate their willingness to attend the course and show that they have received the permission of their supervisors or departmental heads. You should be as persuasive as possible.

Task

Write a memo, with a returnable reply slip, to send to each member of staff.

(25 marks)