



Cambridge International Examinations
Cambridge International General Certificate of Secondary Education

BUSINESS STUDIES

0450/21

Paper 2

October/November 2015

INSERT

1 hour 30 minutes

READ THESE INSTRUCTIONS FIRST

This Insert contains the case study material.
Anything the candidate writes on this Insert will not be marked.



The syllabus is approved for use in England, Wales and Northern Ireland as a Cambridge International Level 1/Level 2 Certificate.

This document consists of **3** printed pages and **1** blank page.

Camper Companions (CC)

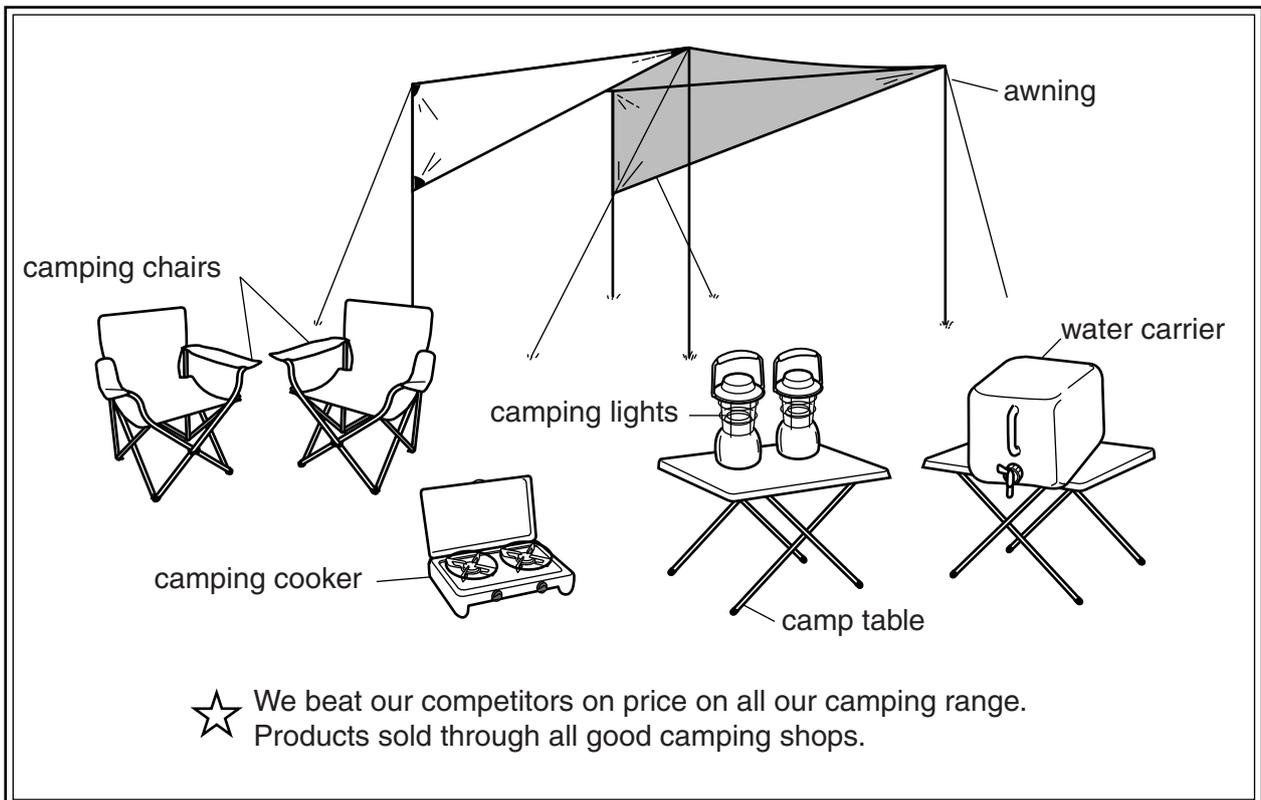
Camper Companions (CC) is a large public limited company set up 20 years ago in country X. It manufactures a wide range of camping equipment. Most of its customers own a tent or caravan.

Originally the company had one factory but now it has expanded to three factories. The directors want the company to continue to expand. Recently the directors of CC have considered merging with a competitor in country Z which manufactures a similar range of camping equipment.

Each of CC's three factories employs 100 skilled workers. Most of these workers are part-time and they are paid lower wage rates than workers in other similar businesses. The factories use many machines in the production of CC's products. The directors have not allowed workers to be members of a trade union but they are thinking of changing this decision.

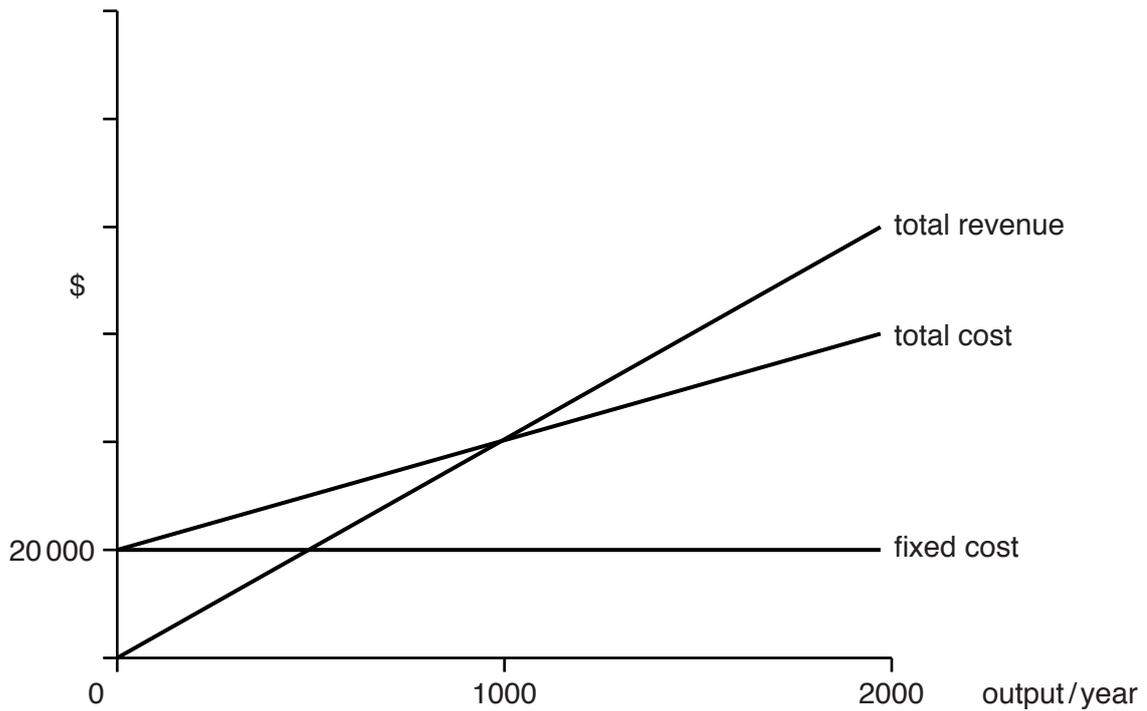
CC only sells its camping equipment in country X but the directors plan to start manufacturing and selling the equipment in several countries including country Z. Government grants are available for building new factories in country Z.

Appendix 1



Appendix 2

Break-even chart of CC's bestselling product – a camping cooker



Price = \$40 per cooker

Variable cost = \$20 per cooker

Appendix 3

To: Finance Director
 From: Managing Director
 Date: 10 October 2015
 Re: Continued expansion of CC

We have a large number of loyal customers who buy our camping equipment in country X. However, we need to maintain our competitiveness and start to sell in other countries.

As a public limited company we have to maintain profitability. If CC's share price falls we could be at risk of a takeover.

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UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
International General Certificate of Secondary Education

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BUSINESS STUDIES

0450/21

Paper 2

October/November 2012

1 hour 45 minutes

Candidates answer on the Question Paper.

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

Do not use staples, paper clips, highlighters, glue or correction fluid.

DO NOT WRITE IN ANY BARCODES.

Answer **all** questions.

The Insert contains the case study.

The businesses described in this question paper are entirely fictitious.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

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1	
2	
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Total	

This document consists of **11** printed pages, **1** blank page and **1** insert.



- 1 (a) Identify and explain **four** reasons why Kolo might want to set up his own business rather than work for an employer.

Reason 1:

Explanation:

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Reason 2:

Explanation:

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Reason 3:

Explanation:

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Reason 4:

Explanation:

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..... [8]

- 2 (a) Kolo wants to get information about his competitors. Identify and explain **four** ways Kolo could research this information.

Way 1:

Explanation:

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Way 2:

Explanation:

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Way 3:

Explanation:

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Way 4:

Explanation:

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..... [8]

- 3 (a) Kolo needs to buy parts to repair cars. He plans to buy these parts directly from large manufacturers. Identify and explain **one** advantage and **one** disadvantage for a small business of buying from large companies.

Advantage:

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Explanation:

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Disadvantage:

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Explanation:

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- 4 (a) Explain **how** the economic data from Appendix 3 could affect the success of Kolo's new garage.

*For
Examiner's
Use*

Unemployment:

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Economic growth:

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- 5 (a) Kolo plans to use different methods of payment for mechanics (car repair workers) and sales staff. Identify and explain a suitable method of payment for mechanics and a suitable method of payment for sales staff.

Payment method for mechanics:

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Explanation:

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Payment method for sales staff:

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Explanation:

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..... [8]

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