

# OCR

Oxford Cambridge and RSA

## Monday 18 May 2015 – Morning

### AS GCE BUSINESS STUDIES

F291/01 An Introduction to Business

Candidates answer on the Question Paper.

**OCR supplied materials:**

None

**Other materials required:**

- A calculator may be used

**Duration:** 1 hour



Candidate forename		Candidate surname	
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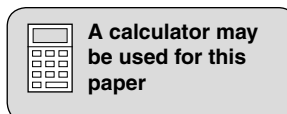
Centre number						Candidate number				
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#### INSTRUCTIONS TO CANDIDATES

- Write your name, centre number and candidate number in the boxes above. Please write clearly and in capital letters.
- Use black ink. HB pencil may be used for graphs and diagrams only.
- Answer **all** the questions.
- Read each question carefully. Make sure you know what you have to do before starting your answer.
- Write your answer to each question in the space provided. Additional paper may be used if necessary but you must clearly show your candidate number, centre number and question number(s).
- Do **not** write in the bar codes.

#### INFORMATION FOR CANDIDATES

- The number of marks is given in brackets [ ] at the end of each question or part question.
- The Quality of Written Communication will be assessed in the question marked with an asterisk (\*).
- The total number of marks for this paper is **60**.
- This document consists of **12** pages. Any blank pages are indicated.



**NISSAN UK**

It has often been said that the manufacturing sector in the UK is in continuous decline; however, 2012 brought some very good news. Although the sale of new cars in the UK had slowed in previous years, Nissan UK reported a 14% rise in production to more than 480 000 cars per year.

Nissan UK is a wholly owned subsidiary of the Japanese car maker and has been based in Sunderland in the north east of England since 1984. Japanese companies selling to the European Union (EU) have an import tax imposed on their products which can make these products more expensive to buy. However, by locating in the UK, Nissan is able to sell to any EU country without the tax being imposed. 5

The Sunderland car factory is one of the most productive in the EU and has often been able to provide good economic news. For example, in 2010 trade unions welcomed the announcement that Nissan intended to build its electric car, the Leaf, in Sunderland rather than abroad. This created hundreds of new jobs in the UK. About 50 000 of these cars and the special batteries necessary to run them are made each year. In order to produce the Leaf, Nissan invested £420 million. In 2012 Nissan announced a further investment of £125 million to build another new car at its Sunderland factory, creating even more jobs. 10 15

Nissan UK conducts a lot of market research and is aware that it needs to monitor demographics and other social influences very carefully. Its market research showed that there was a demand for an electric car, but the venture was still a risk.

Environmental pressure groups are unhappy with the number of cars on the UK's roads. These groups urge the government to increase the cost of driving. They encourage the use of schemes such as road pricing (where drivers have to pay to use a particular stretch of road) and the congestion charge in London.\* 20

The Leaf was the world's first mass-produced zero-emission car and Nissan hoped that it would be popular with those who campaign on 'green' issues. The Leaf is, however, quite expensive to buy. 25

*\*The congestion charge is a fee imposed on most vehicles in central London.*

Answer **all** the questions.

- 1 (a) Nissan UK, as a manufacturer, operates in the secondary sector of the economy.

Identify the other **two** sectors of economic activity.

1 .....

2 .....

[2]

- (b) State **one** cost and **one** benefit to the local community which may result from Nissan UK's manufacturing of cars.

Cost .....

.....

Benefit .....

.....

[2]



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2 Nissan UK invested £420 million in the Leaf (lines 13–14). Its ‘market research showed that there was a demand for an electric car, but the venture was still a risk’. (lines 17–18)

(a) Outline **two** sources of finance which Nissan UK could have used to raise the £420m for the production of the Leaf.

1 .....

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2 .....

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[4]

(b) Outline the likely relationship between risk and reward.

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[4]



- 4 Analyse **two** ways in which changes in demographics or other social influences may affect Nissan UK's sales of new cars. [10]

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**Turn over for the next question**



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A series of horizontal dotted lines for writing answers.

**END OF QUESTION PAPER**



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