

Paper Reference 1BS0/02  
Pearson Edexcel  
Level 1/Level 2 GCSE (9–1)

**Business**  
**PAPER 2: Building a business**

**Data Booklet**

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

## INSTRUCTIONS

There may be spare copies of some data sheets in case you need them.

**THIS DATA BOOKLET MUST BE RETURNED WITH THE  
QUESTION PAPER AT THE END OF THE EXAMINATION.**

Contents

Page

SECTION A

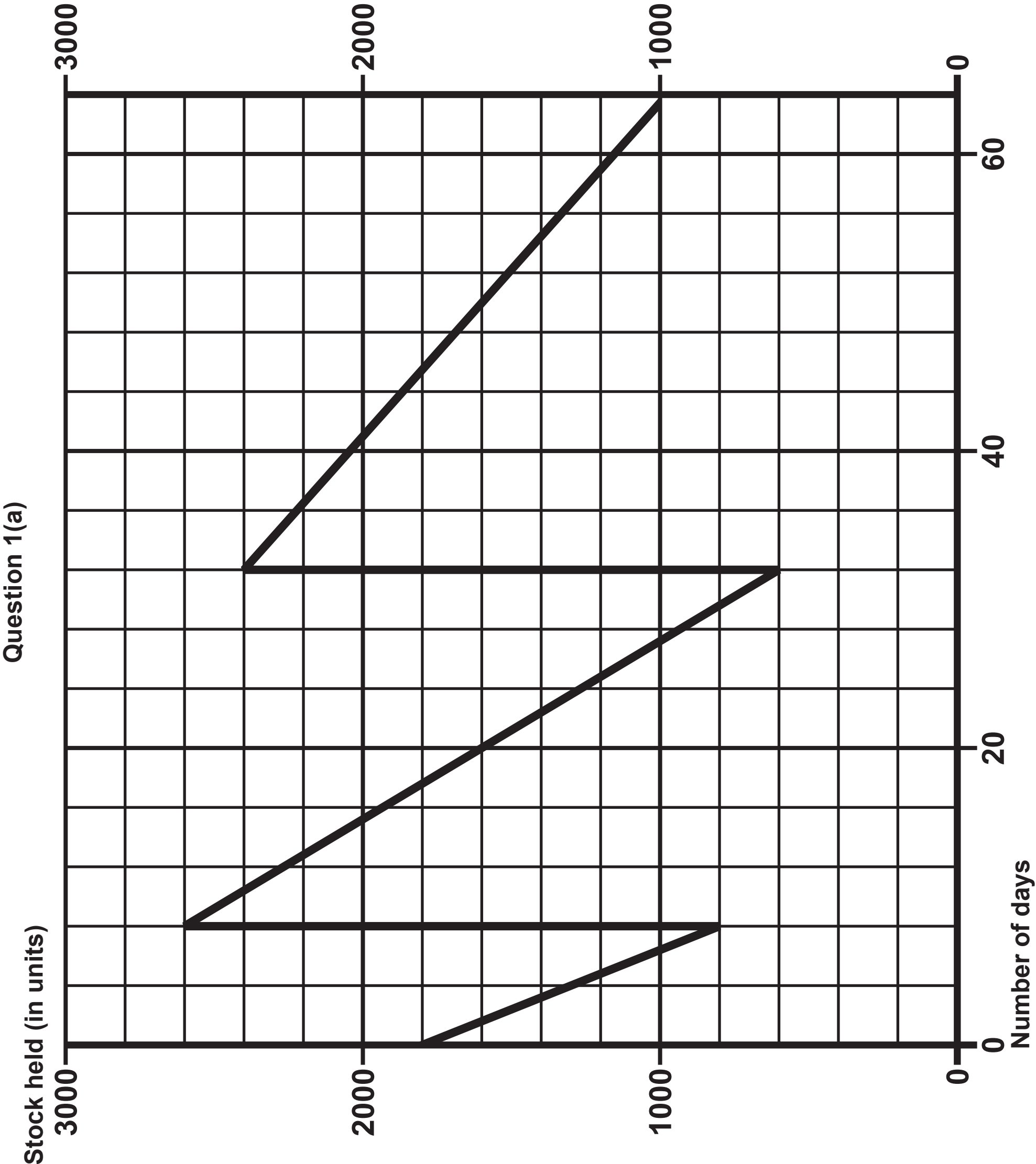
- 4      Question 1(a)
- 5      Question 2(c)
- 6      Question 3(b)

SECTION B

- 7      Extract for Section B
- 8      Question 5(a) and 5(b)

SECTION C

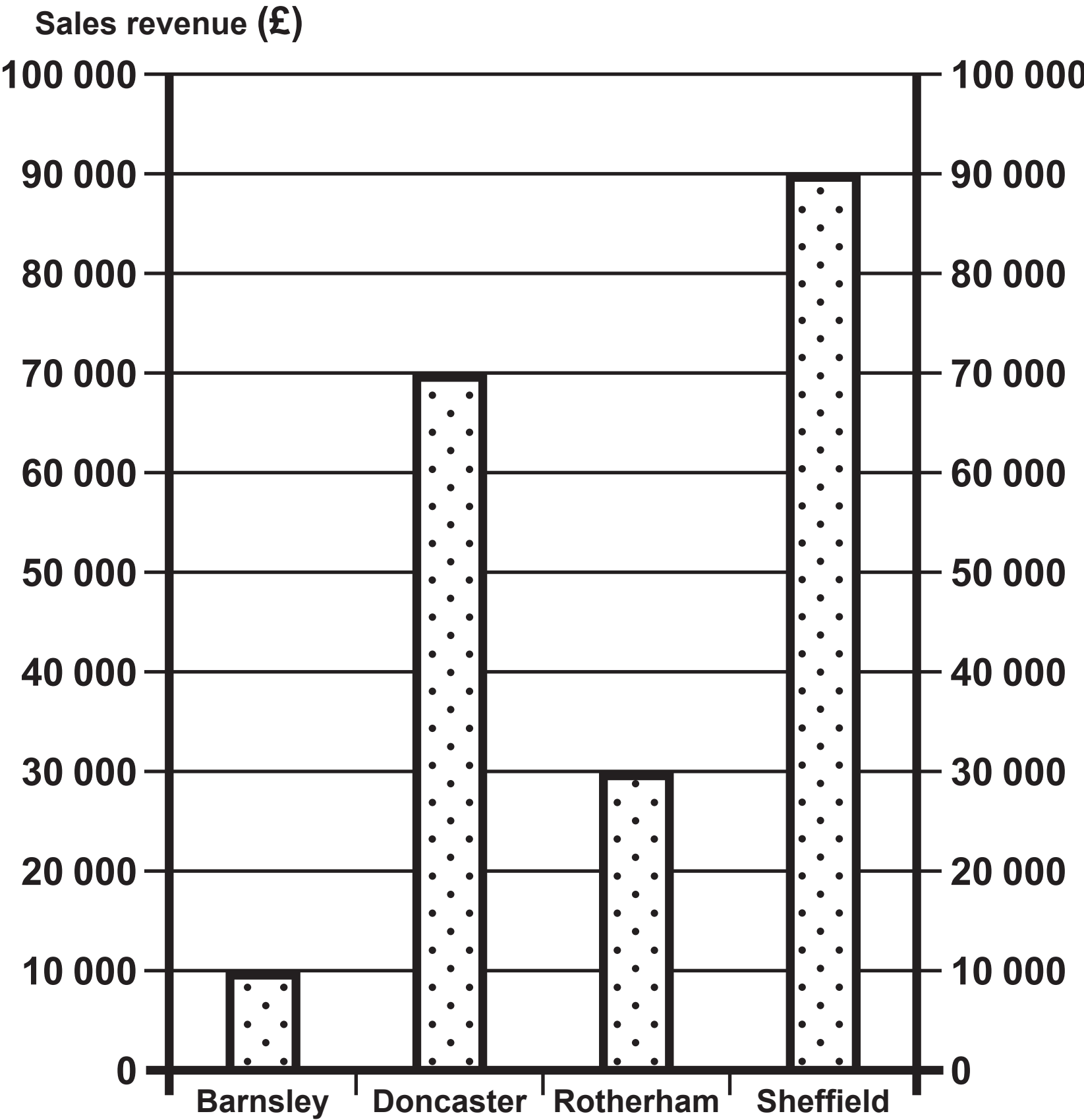
- 9      Extract for Section C
- 10     Question 7(b)



Question 2(c)

Average annual profit	£200 000
Cost of new machine	£200 000

Question 3(b)



## Extract for Section B

**Greggs plc** is a company that produces baked goods such as sausage rolls, savoury snacks and cakes. It has more than **1,900** shops and a number of factories located across the UK.

In **2018**, **Greggs** planned to open a further **130** shops to cope with its continued growth in sales. It wanted to increase the use of technology in its factories, where it uses batch production. To be able to cope with this expansion, **Greggs** also planned to invest in improved logistics.

The growth of **Greggs** has been a UK high street success story. From originally being based in Newcastle and the north-east, it has expanded rapidly across the whole of the UK. It has switched away from selling traditional bakery products, such as bread, to become more like a fast food chain. As a result, **Greggs** now sell a variety of takeaway goods such as pizza, soup, coffee and sandwiches and operates in the very competitive 'food-to-go' market. Its main rivals are Pret a Manger, Costa and Starbucks.

In **2019**, **Greggs** gained national publicity by becoming the first food retailer to start selling vegan sausage rolls. It is hoped that products such as this will help **Greggs** stand out from its rivals. The vegan sausage roll is priced at **£1, 10 pence** more than the meat-based equivalent.

Question 5(a) and 5(b)

	£ (000)
Sales revenue	1 029 347
Cost of sales	373 487
Other operating expenses and interest	573 292
Net profit	82 568



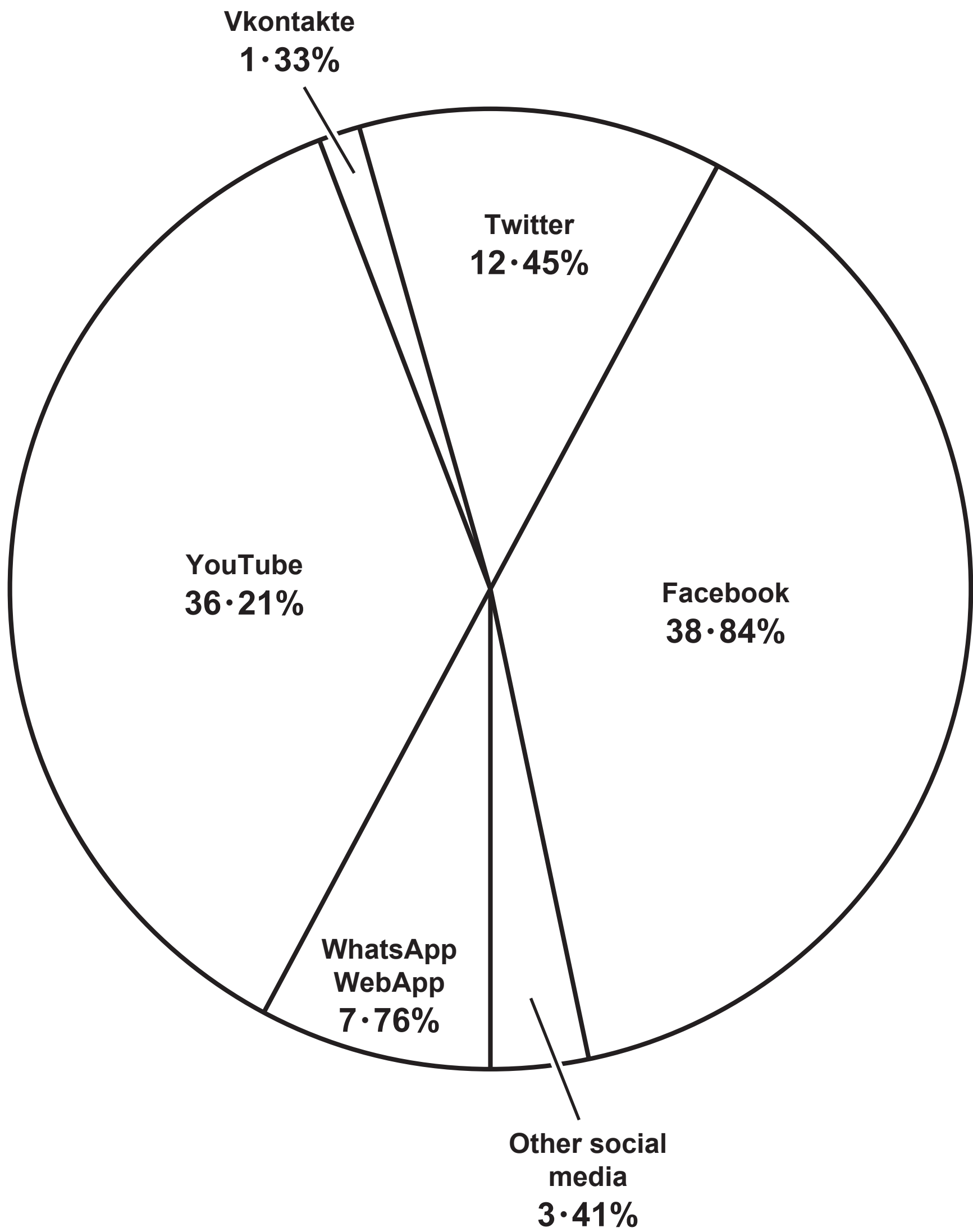
## Extract for Section C

**JD Sports plc** is a multinational sports, fashion and footwear retailer based in the UK. It owns a number of brands including Footpatrol and Kukri. It has over **2,400** stores in **18** different countries. Most of its brands are targeted at the ‘athleisure’ market. This market consists of **16–24** year olds who choose to wear sportswear outside of the gym. It uses targeted online advertising to direct customers to one of its websites, such as [www.jdsports.co.uk](http://www.jdsports.co.uk). It also sponsors UK boxing star, Anthony Joshua and Bournemouth football club.

In March **2019**, **JD Sports** announced that it was taking over loss-making, rival sports footwear retailer Footasylum for **£90.1** million. Footasylum, like **JD Sports**, had its headquarters in Greater Manchester and was started by an ex-**JD Sports** director, David Makin. Footasylum had **69** stores in the UK in similar locations to **JD Sports**. Footasylum also targeted the ‘athleisure’ market and used to sell identical trainer brands to **JD Sports** such as Nike, Adidas and Puma. **JD Sports** brands itself as the ‘King of trainers’, in an attempt to compete with main rival Sports Direct.

In July **2019**, the Competition and Markets Authority (CMA) announced an investigation into the takeover. It was worried about the impact that the takeover might have on consumers and suppliers.

## Question 7(b)



## Sources

### Extract for Section B

(Source: adapted from <https://www.foodmanufacture.co.uk/Article/2018/02/27/High-street-baker-posts-profits-growth> and <https://metro.co.uk/2019/01/03/actually-greggs-vegan-sausage-roll-8305542/>)

### Extract for Section C

(Source: adapted from <https://www.retailgazette.co.uk/blog/2019/07/cma-begins-probe-of-jd-sports-footasylum-takeover/> and <https://www.theguardian.com/business/2019/mar/18/jd-sports-buy-footasylum-stores>)

### Question 7(b)

(Source: adapted from <https://www.similarweb.com/website/jdsports.co.uk#social>)