

# BULATS

Business Language Testing Service



**English**

**Version: EN000**

Standard Test

*Question Paper*



UNIVERSITY of CAMBRIDGE  
ESOL Examinations

**English for Speakers of Other Languages**

A Member of the Association of Language Testers in Europe (ALTE)

PV3

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## Candidate Information

Candidate Name:            Family name: .....

                                         First name: .....

Candidate Number: .....

Examination Centre: .....

Date: .....

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## Test

About 110 minutes

### Listening

About 50 minutes.

As you listen, write your answers in this Question Paper.

When the listening test finishes, you have 5 minutes to copy your answers onto your Answer Sheet.

### Reading and Language Knowledge

60 minutes.

Write your answers on your Answer Sheet.

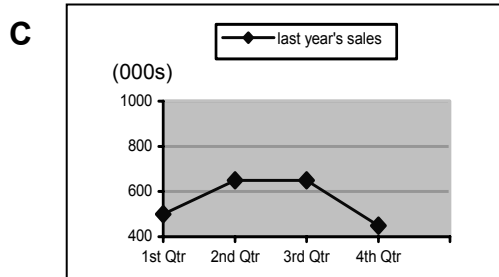
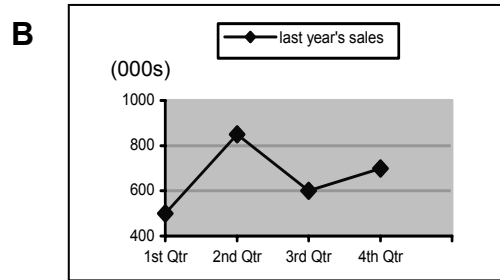
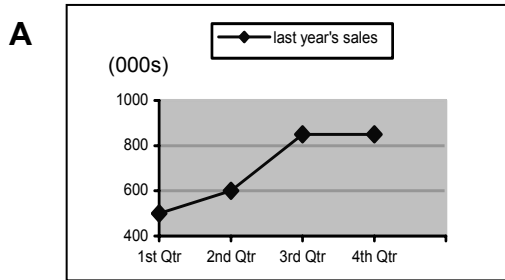
# LISTENING

## PART ONE

### Questions 1 – 10

- You will hear 10 short recordings.
- For questions 1 – 10, circle **one** letter **A**, **B** or **C** for the correct answer.
- You will hear each recording **twice**.

1 Which graph is the speaker referring to?



2 How many new jobs were created in January?

**A**

**108,000**

**B**

**193,000**

**C**

**240,000**

3 What does the company import?

A



B



C



4 What prevented the consignment from being delivered on time?

A



B



C



5 Where has the company sold most of its new products?

A



B



C



6 Which company do they decide to use for their re-branding exercise?

- A Neptune
- B Goldberg
- C Hambleton

7 Why didn't the woman accept the job offer?

- A She thought the company was disorganised.
- B She wasn't happy with the package.
- C She wants to work for a larger organisation.

- 8** What does the man say about the course?
- A** It was badly organised.
  - B** There were not enough speakers.
  - C** It was not well attended.
- 9** What information does Gallico Ltd need from its supplier?
- A** the delivery date for some goods
  - B** an update on prices for some components
  - C** insurance details for the transportation of orders
- 10** Why did the construction company decide to sponsor the golf championship?
- A** Sponsorship will generate more publicity than traditional advertising.
  - B** It gives customers a positive association with the company.
  - C** The returns from other sponsorship have been very good.

**PART TWO**  
**Questions 11 – 22**

- You will hear three conversations.
- Fill in the numbered spaces, using the information you hear.
- You will hear each conversation **once** only.

**Conversation One**  
**Questions 11 – 14**

- Look at the form below.
- You will hear a man telephoning to place an order.

<b>Intertech Publications</b> <b>Order Form</b>	
<b>Date:</b> June 21	<b>Order Taken by:</b> Gina
<b>Customer Name:</b> (11) Mr .....	
<b>Intertech account number:</b> (12) .....	
<b>Company name:</b> Brandmart Inc.	
<b>Address:</b> (13) The ....., Hopeville, Ohio	
<b>Publication Title:</b> (14) .....	
<b>Quantity:</b> 12	
<b>Price per item:</b> \$18.99	

**Conversation Two**  
**Questions 15 – 18**

- Look at the note below.
- You will hear a man leaving a message for his company's printing department about changes needed on a print order.

<b><u>Message from:</u></b> Paul Kwok, Accounts Department (job reference (15) .....) )
<b><u>Requirements:</u></b>
• Letterhead: Put correct (16) .....
• Invoice Pro Forma: Include space for writing in the (17) .....
• Expenses forms: Add category for (18) ..... (visitors)



**Conversation Three**  
**Questions 19 – 22**

- *Look at the notes below.*
- *You will hear a woman telephoning a customer to ask for feedback on her company's service.*

Customer Feedback on Engineer's visit

**Engineer's name:** *Tom Engels*

**Start date of work:** (19) .....

**Customer's general comments:**

- *problem of two-day wait for delivery of a (20) .....*
- *his (21) ..... was very good*

**Quality of work:** *good, especially on machinery for (22) .....*

## PART THREE

### Section One

#### Questions 23 – 27

- You will hear five people talking about the difficulties they faced when they gave up full-time jobs to become freelance consultants.
- As you listen, decide which difficulty each speaker mentions.
- Choose your answer from the list **A – I**, and write the correct letter in the space provided.
- You will hear the five pieces **once** only.

Example: ..... I .....

- 23 Person 1 .....
- 24 Person 2 .....
- 25 Person 3 .....
- 26 Person 4 .....
- 27 Person 5 .....

- |          |                                       |
|----------|---------------------------------------|
| <b>A</b> | not leading a team                    |
| <b>B</b> | lack of promotion prospects           |
| <b>C</b> | loss of status                        |
| <b>D</b> | lack of training opportunities        |
| <b>E</b> | financial insecurity                  |
| <b>F</b> | lack of IT support                    |
| <b>G</b> | judging which job offers to turn down |
| <b>H</b> | no informal input from colleagues     |
| <b>I</b> | lack of administrative support        |

### Section Two

#### Questions 28 – 32

- You will hear five people talking about methods of promoting products that five different food companies are currently using.
- As you listen, decide which method each company is currently using.
- Choose your answer from the list **A – I**, and write the correct letter in the space provided.
- You will hear the five pieces **once** only.

Example: ..... I .....

- 28 Person 1 .....
- 29 Person 2 .....
- 30 Person 3 .....
- 31 Person 4 .....
- 32 Person 5 .....

- |          |                                                   |
|----------|---------------------------------------------------|
| <b>A</b> | running a direct mailing campaign                 |
| <b>B</b> | adding new products to the range                  |
| <b>C</b> | reducing the price of the products                |
| <b>D</b> | giving away a free product with every purchase    |
| <b>E</b> | introducing new packaging for an existing product |
| <b>F</b> | giving incentives to stockists                    |
| <b>G</b> | running a special offer with another company      |
| <b>H</b> | giving out samples of products in shops           |
| <b>I</b> | launching a media campaign                        |

## PART FOUR

### Section One

#### Questions 33 – 38

- You will hear a web designer called Paul Doherty giving advice about creating a website to a group of people who own a small business.
- For questions 33 – 38, circle **one** letter **A**, **B** or **C** for the correct answer.
- You will hear the talk **twice**.

- 33 Paul Doherty advises getting ideas from websites which
- A** have been set up by local competitors.
  - B** are offering a range of different goods.
  - C** are based abroad.
- 34 According to Paul Doherty, what is the advantage of using a website designer?
- A** It may be cheaper than doing it yourself.
  - B** It is likely to be quicker than doing it yourself.
  - C** It will be more professional than doing it yourself.
- 35 Paul Doherty says that when producing your own web pages you should
- A** make the pages bright and colourful.
  - B** use the same typeface throughout.
  - C** put your logo on every page.
- 36 Paul Doherty says that a good website should also include
- A** a counter to see how many hits you've had.
  - B** background information on staff.
  - C** a range of charts and graphs.
- 37 Paul Doherty says that many companies fail to
- A** display full contact details.
  - B** update their web pages regularly.
  - C** employ someone to check emails.
- 38 Paul Doherty thinks one good way to get customers to return to a site is
- A** to offer a new tip each day.
  - B** to provide a free calculator.
  - C** to have quizzes for customers.

**Section Two**  
**Questions 39 – 44**

- You will hear part of a radio interview with Simon Butcher, a business analyst from a management consultancy firm.
- For questions 39 – 44, circle **one** letter **A**, **B** or **C** for the correct answer.
- You will hear the interview **twice**.

**39** As part of his job, Simon Butcher is

- A** helping to design a sales system.
- B** working at his client's offices.
- C** travelling widely to see clients.

**40** What does Simon Butcher say about the training provided by his firm?

- A** There is an induction course for all new graduate employees.
- B** New graduate recruits choose which courses they want to do.
- C** All the introductory courses are attended over three days.

**41** When Simon Butcher joined the company, what did he expect to be doing?

- A** working with teams providing technical services
- B** working on a wide range of projects
- C** working more on the business side

**42** Within Simon Butcher's firm, new employees go up the payscale

- A** after a six-monthly review.
- B** according to their annual performance.
- C** at the same time as their colleagues every year.

**43** What does Simon Butcher say about his working hours?

- A** He has to work over the weekend if there are schedules to meet.
- B** He is prepared to work long hours when there are things to do.
- C** He finishes at 7 o'clock every evening so he can play sport.

**44** What does Simon Butcher think of his company as a place to work?

- A** There is little time to learn things you previously knew nothing about.
- B** There are too many targets to be achieved each year.
- C** There are very rigid and inflexible structures in place.

**Section Three**  
**Questions 45 – 50**

- You will hear a conversation between Elizabeth and Bill, two members of the purchasing department, about dealing with their colleagues in IT.
- For questions 45 – 50, circle **one** letter **A**, **B** or **C** for the correct answer.
- You will hear the conversation **twice**.

- 45** Elizabeth is concerned about how the IT department makes purchases because it has failed to
- A** involve the purchasing department enough.
  - B** follow advice given by the purchasing department.
  - C** issue purchase orders to the purchasing department.
- 46** What opinion does Bill express about the conduct of IT personnel?
- A** They don't appreciate input from staff in other departments.
  - B** They rarely choose their suppliers successfully.
  - C** They often ignore instructions given by purchasing staff.
- 47** Bill is reluctant to approach the company directors for change because he thinks
- A** the directors would side with the IT department.
  - B** too much work would be created for the purchasing department.
  - C** internal company relationships would be damaged.
- 48** Elizabeth suggests persuading IT staff of the value of her department's skills by
- A** offering them training in key areas of the purchasing process.
  - B** completing evaluation questionnaires for IT about their suppliers.
  - C** writing a plan highlighting where the two departments can work together.
- 49** Bill says that companies who supply IT departments often
- A** insist on contracts that run too long.
  - B** dictate contract terms without negotiation.
  - C** fail to fulfil contract terms for after-sales care.
- 50** Elizabeth suggests finding problems in previous IT purchases in order to
- A** prevent the IT department being involved in future purchasing.
  - B** support her case to assist purchasing in the IT department.
  - C** weaken the IT department's position in the company.

**That is the end of the Listening Section. You now have 5 minutes to copy your answers onto your Answer Sheet.**

## READING and LANGUAGE KNOWLEDGE

### PART ONE

#### Section One

#### Questions 51 – 57

- Look at the following messages and notices.
- For questions 51 – 57, mark **one** letter **A**, **B** or **C** on your Answer Sheet.

Example:

<b>STORE CONTENTS IN A COOL PLACE OUT OF DIRECT SUNLIGHT</b>
--------------------------------------------------------------

- A** The contents should be kept at a constant temperature.  
**B** The contents are sensitive to heat and light.  
**C** The contents must be kept frozen.

0	A <input type="checkbox"/>	B <input checked="" type="checkbox"/>	C <input type="checkbox"/>
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51

#### **Management Writing Competition**

For excellence in management writing

There are six prizes to be won in two sections:

Best Management Book and Best Management Article.

Participants in the competition

- A** may enter in different categories of management writing.  
**B** will receive top quality publications on management if they win.  
**C** must have published several books or articles on management.

52

**Websters Inc.**

The spokesman from Websters Inc. said that, in spite of a decline in general business confidence, the company was pleased with its improved profitability, resulting from gains in productivity.

According to the spokesman, the company

- A** is confident it will generate significantly improved profits.
- B** will invest profits it has made in increased production.
- C** has increased its profits by producing goods more efficiently.

53

To: All Research Staff

From: J Swann, Human Resources

Subject: Job evaluation sessions

This is just a reminder of the job evaluation sessions which take place next month. You should spare some time to be present at these sessions, as it is very much in your interest to attend.

- A** You can only attend the sessions in your free time.
- B** You must tell HR if you are interested in the sessions.
- C** You will benefit from attending the sessions.

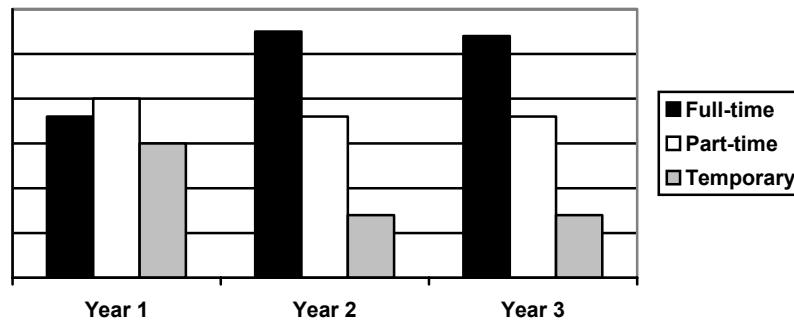
54

Make your money work for you.  
For free financial advice make an appointment to speak  
to our savings and loan staff.

- A** You can arrange to see someone about ways to save your money.
- B** You can pay someone to help you organise a loan.
- C** You can make more money by getting a job here.

55

Number of employees



- A The number of temporary staff remained almost unchanged for three years.
- B The number of full-time staff overtook part-time staff in year 2.
- C The number of part-time staff declined steadily during the three years.

56

To: Marketing Department Staff

From: Sonya Benson, Marketing Manager

Subject: Last week's conference

Please pass the attached notes on to any colleagues who were at the conference but for some reason are not on our current email list.

- A There may be people who should receive information from the Marketing Department.
- B A list of colleagues who attended the conference is required by the Marketing Manager.
- C The Marketing Manager wants to contact colleagues at the conference for a number of reasons.

57

**OFFICE RENOVATION PROGRAMME**

The Commercial Department, currently located next to the Main Reception, will transfer to the Accounts Department's offices on the first floor by 19<sup>th</sup> June. The HR Department will then transfer to the Commercial Department's old office.

Which department will be located next to the Main Reception after the 19<sup>th</sup> June?

- A the Accounts Department
- B the HR Department
- C the Commercial Department



## PART ONE

### Section Two

#### Questions 58 – 63

- Choose the word which best completes each sentence.
- For questions 58 – 63, mark **one** letter **A**, **B**, **C** or **D** on your Answer Sheet.

58 Management training ..... being developed for the new system.

- A were
- B has
- C is
- D have

59 Please ..... particular care when selecting email addresses from the Global Address List.

- A bring
- B take
- C have
- D make

60 The company is currently ..... itself for reaction to the results for the current fiscal year.

- A arranging
- B organising
- C preparing
- D developing

61 We use a sliding ..... of charges, depending on volume.

- A list
- B table
- C scale
- D measure

62 Many IT companies are trying to break ..... the lucrative graphics market.

- A through
- B off
- C open
- D into

63 The vehicle auction group Dickson Willis have had a second year of high turnover ..... tough competition from rivals Southgate Cars.

- A unless
- B except
- C despite
- D although

## PART ONE

### Section Three Questions 64 – 69

- *Read the article below about business start-ups and answer questions 64 – 69 on the opposite page.*
- *For questions 64 – 69, mark one letter A, B or C on your Answer Sheet.*

#### FINANCING BUSINESS START-UPS

Three venture capitalists, Michael Flowers, Reg Greenham and Lee Wang, were asked about financing business start-ups. According to Michael Flowers, when starting a new business, it is important to accept professional management, and hire an effective CEO. Entrepreneurs should, even before they begin to raise money, ask how they can use the least financing possible. They should purchase goods and services at discounts, and require customers to settle accounts promptly.

When Greenham is considering whether to finance a new venture, his biggest concern is price. 'I am always looking for great ideas and market opportunities with strong leadership, at reasonable prices.' He also looks for entrepreneurs who are able to articulate the corporate vision, and he tries to be open-minded about financing first-time entrepreneurs. He acknowledges that many investors are unwilling to back a younger person's first business.

Greenham was asked about 'angels' – those rich people who sometimes put money into uncertain business ventures. He agreed that angel investors can be valuable to a start-up, in particular because they can offer advice and access to useful people. He warned, however, that angel investing is becoming increasingly sophisticated, and said that in many cases it may be preferable to obtain early high-risk capital elsewhere.

Wang agrees that those entrepreneurs with some capital already can consult so-called angels. 'However, for those seeking funds for the first time, this normally involves too much time. There is no substitute for aggressively working to bring in money from family and friends. It is unlikely that bids for funding from government programmes will in reality be successful.'

Many start-up companies approach venture capitalists who manage organised funds. Greenham likes to co-invest with other venture capitalists so that there is more than one decision-maker when there are problems. He suggests that in their search for capital, companies should identify teams that have a history of successful co-operation. He adds that these investors, in turn, should always impose conditions that are reasonable.

According to Wang, too many start-up companies overlook marketing issues. 'In the early days, the founder can focus too much on the product itself, and not on how it is promoted. Entrepreneurs should also introduce customers who can attest to their entrepreneurial skills to potential investors. Also, they should think about how to give up control. It does not matter ultimately who takes charge, but entrepreneurs must develop suitable exit strategies.'

- 64** Flowers says that entrepreneurs should
- A** obtain funds from a range of sources.
  - B** try to get reduced prices from suppliers.
  - C** take full control of management of the business.
- 65** In the second paragraph, Greenham says that he
- A** is willing to pay more for special opportunities.
  - B** is not prepared to offer support to first-time entrepreneurs.
  - C** likes entrepreneurs who can describe their aims clearly.
- 66** What advantage of 'angel' investors does Greenham mention?
- A** They have experience of operating in complicated business situations.
  - B** They can help the entrepreneur find contacts.
  - C** They are quick to assess levels of risk.
- 67** In the fourth paragraph, what does Wang say about entrepreneurs seeking funding for the first time?
- A** They should avoid seeking help from people they already know.
  - B** They are likely to get support from the government.
  - C** They may find that getting funding from 'angels' takes too long.
- 68** In the fifth paragraph, Greenham says that new companies seeking funding should
- A** look for investors that have worked well together in the past.
  - B** ensure that start-ups are timed for when conditions are favourable.
  - C** require that one venture capitalist has decision-making powers.
- 69** According to the sixth paragraph, new companies should
- A** think more carefully about how goods and services will be sold.
  - B** consult customers for feedback on the product.
  - C** delegate responsibility to others from the beginning.

**PART ONE**

**Section Four**  
**Questions 70 – 74**

- For questions **70 – 74**, read the text below and think of the word which best fits each space.
- Write only **one** word for each space on your Answer Sheet.

**Example:**

He is very interested **(0)** ..... computers.

**Answer:**

0	in	<input type="text"/>	<input type="text"/>
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**Business Worldwide: connections on the move**

We can give you back the time you currently spend dealing with communications invoices. It's what every business person needs. Ask yourself **(70)** ..... often you have a chance to think your decisions over in peace. You'll almost certainly find **(71)** ..... are precious few quiet moments in your day. That's **(72)** ..... we've created Business Worldwide, leaving you time to get **(73)** ..... with other things. Sign up with us, and with one bill and one supplier for all your company's mobile and broadband needs, you'll soon find yourself with even **(74)** ..... space to think.

Call us on 8000 44 37 43 for all the information you need.

# **READING and LANGUAGE KNOWLEDGE**

## **Part Two**

**PART TWO**

**Section One**  
**Questions 75 – 81**

- Read the sentences below and the news reports about four companies on the opposite page.
- Which share report does each sentence **75 – 81** refer to?
- For each sentence, mark **one** letter **A, B, C** or **D** on your Answer Sheet.

**Example:**

**0** As a result of recent sales, this company has changed its sales forecast.

**Answer:**

0	A	B	C	D
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 75** This company's latest sales figures were more positive than recent indications suggested.
- 76** There has been a resignation from this company due to its latest sales figures.
- 77** This company's most recent sales figures have not risen as rapidly as in the previous period.
- 78** Growth in one part of this company's business has been faster than in all others.
- 79** This company is expecting a downturn in profits in the future.
- 80** This company has reported bigger profits than ever before.
- 81** This company's performance has not been consistent across all its outlets.

**A**

Fashion chain Cloud Nine has posted half-year results that are a new record for the company, after pre-tax profits leapt 19% on a year earlier to £21 million. The group has been further encouraged by trading over the holiday period, which saw like-for-like sales improve 2% in the five weeks to January 3. This improvement was slower than the 6% increase reported in the preceding months – but comes during challenging times.

**B**

Mobile phone retailer PhoneKing has said third-quarter trading was stronger than anticipated, and upgraded its full-year profit expectations. The retailer said revenues in its retail and distribution operations grew 27.7% on a like-for-like basis. It also said that subscription connections have grown by 30.1% to 690,000, and are now outperforming other areas. Founder Julia Whitehead must be a happy woman.

**C**

Retail group Meades announced another weekly gain in overall sales in spite of noticeably mixed fortunes among its 25 department stores. Signs of a slowdown during the last days of its clearance sale proved unfounded when the group posted an improvement for the week to January 10. Out-of-town branches were very strong performers, with sales gains of up to 32.6%.

**D**

Clothing retailer Gilmerton said its Chief Executive had stepped down as a result of a 5.2% fall in sales. Its retail sales in the 22 weeks to January 10 fell 11.3% on a like-for-like basis against the previous year, although this was marginally better than the group's performance in the first 15 weeks of that period. It admitted that profits for the UK retail business next year would probably be lower than last year.

**PART TWO**

**Section Two**  
**Questions 82 – 86**

- Read this extract giving details about a marketing course.
- Choose the best word to fill each space from the words below.
- For each question 82 – 86, mark **one** letter **A, B, C** or **D** on your Answer Sheet.

**Example:**

He wants you to **(0)** ..... him the reason.

- 0**    **A** speak                      **B** tell                      **C** say                      **D** talk

**Answer:**

<b>0</b>	<b>A</b> <input type="checkbox"/>	<b>B</b> <input checked="" type="checkbox"/>	<b>C</b> <input type="checkbox"/>	<b>D</b> <input type="checkbox"/>
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**ALL-ROUND MARKETING**

'All-round Marketing' is a course which you can take in many different parts of the country. It **(82)** ..... of interactive workshops designed to improve the way in which existing businesses market themselves, their products and their services.

The course's range of practical guidance covers areas that are becoming **(83)** ..... important as businesses become more competitive. Some of the topics dealt with are:

- attracting and **(84)** ..... customers
- seeing your business through customers' eyes
- learning how to satisfy customers' needs more effectively.

The methods employed enable those attending to sharpen their skills, and even to re-evaluate their **(85)** ..... to marketing their business.

One aspect of the course that many course members have commented on is the welcome absence of marketing jargon. The course deals with real **(86)** ....., which are discussed in everyday language.

- 82**   **A** consists                      **B** involves                      **C** contains                      **D** includes
- 83**   **A** gradually                      **B** progressively                      **C** regularly                      **D** increasingly
- 84**   **A** saving                      **B** holding                      **C** retaining                      **D** preserving
- 85**   **A** approach                      **B** system                      **C** procedure                      **D** technique
- 86**   **A** scenes                      **B** occasions                      **C** affairs                      **D** situations



**PART TWO**

**Section Three**  
**Questions 87 – 91**

- For questions 87 – 91, read the text below and think of the word which best fits each space.
- Write only **one** word for each space on your Answer Sheet.

**Example:**

He is very interested **(0)** ..... computers.

**Answer:**

0	in	<input type="text"/>	<input type="text"/>
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**THE FUTURE NEEDS OF COMPANIES**

Executives who responded to a recent survey believe that failure to innovate is one of the greatest risks facing businesses in the next few years. In addition, advances in technology were cited by almost 60 per cent of the executives **(87)** ..... being the single most critical force changing the global marketplace. **(88)** ..... executives, for the most part, remain optimistic about global business prospects, they realise that there will be difficult times ahead. They recognise that, **(89)** ..... they are to survive in the highly competitive market conditions of the coming years, driving innovation and harnessing advances in technology will be of vital importance. The IT industry is certain to play **(90)** ..... ever more important role in managing the complex operations of today's companies. Indeed, the fastest growing businesses today are those that have placed IT **(91)** ..... the core of their management strategy.

## PART TWO

### Section Four Questions 92 – 97

- Choose the word which best completes each sentence.
- For questions 92 – 97, mark **one** letter **A**, **B**, **C** or **D** on your Answer Sheet.

92 The contractors were commended for completing the new sports stadium on time and ..... budget.

- A within
- B underneath
- C through
- D during

93 The Middleham Film Festival, held in July, significantly ..... the town's tourist industry.

- A pushed
- B inflated
- C heightened
- D boosted

94 Following a \$2 million deal, Johnson now holds ..... soft-drinks advertising rights at the tournament.

- A private
- B exclusive
- C selected
- D restrained

- 95 Shares in Ronson Chemicals ..... a dramatic recovery this morning.
- A presented
  - B displayed
  - C acted
  - D staged
- 96 This book stresses that a management training programme has its greatest ..... when directly linked to business strategy.
- A connection
  - B impression
  - C mark
  - D impact
- 97 The Signet Group is one of the region's leading industrial service groups, with ..... firms operating right across the area.
- A auxiliary
  - B subsidiary
  - C ancillary
  - D supplementary

## PART TWO

### Section Five

#### Questions 98 – 103

- Read the article below about a successful merger between two companies and answer questions 98 – 103 on the opposite page.
- For questions 98 – 103, mark **one** letter **A, B, C** or **D** on your Answer Sheet.

#### MERGERS CAN BE SUCCESSFUL

Mergers are always headline news. Some financial commentators even regard them as an indicator of the economic health of a nation. Which is strange when you consider that most mergers and acquisitions fail. The deals themselves go through, and regardless of the high costs, the bankers get paid. But then the expected economies of scale prove elusive and there are clashes of corporate cultures. Employees become nervous and less efficient as they worry about losing their jobs. Depending on whose research you believe, 50 to 80 per cent of acquisitions fail to fulfil the strategic objective for which they were designed. Given all this, it is interesting to see a merger which is successful. And that is what seems to have happened when Promo and Truck Ads merged.

Eva Lendel started Promo in 1991, the same year Paul Watson founded Truck Ads. Both companies did the same thing: they ran poster campaigns on trucks for major advertisers. It was a new medium and both companies expanded quickly. It looked so easy and profitable that lots of small operators came into the business – which worried both of them because they felt that these new companies did not really know what they were doing. This, they felt, could have a negative effect on all companies in this sector. So Lendel and Watson formed a trade association to protect the reputation of their businesses. 'Out of all these companies that mushroomed up,' says Watson, 'almost none have survived. They just didn't offer a professional service.'

Once they had the market largely to themselves, Lendel and Watson competed in some situations and collaborated in others. Whenever one had more campaigns than they could handle, they would subcontract to the other. Finally, Lendel suggested that her company buy Truck Ads. It helped that Lendel and Watson had known and respected each other for years. They knew from the trade association that they had many business values in common. And they knew they would lose business opportunities if they did not get bigger.

In negotiations Lendel and Watson were not afraid to tackle the problems that so many companies avoid. They agreed that, as Promo was the larger company as well as the acquirer, Lendel would be the new boss and Watson her deputy. There was no nonsense about joint leadership or everything staying the same.

Turning two workforces into one is never easy. 'Once the merger had gone through, I was relieved that there had been no redundancies,' says Lendel. 'I hadn't realised, though, how much loyalty there was to the Truck Ads brand. This impressed me but also worried me as we had wiped away the brand overnight. So I brought in lots of policies to make everyone feel part of the team and then I saw every employee individually to explain the advantages of the merger for them.'

'Merger costs are high,' says Lendel. 'Legal expenses alone can wipe out any upside. But not this time. I didn't think we'd cover our huge legal fees for a year, but we managed to do it in three months. In fact, those costs made us push hard for new business.'

- 98** According to the first paragraph, what is one reason why mergers and acquisitions often fail?
- A** The costs involved are too high.
  - B** The companies involved have different attitudes to business.
  - C** The merger or acquisition is not given a clear goal.
  - D** Staff leave because they feel their jobs are not secure.
- 99** Lendel and Watson thought that many of the smaller operators in the industry
- A** lacked professional standards.
  - B** had expanded too quickly.
  - C** wanted to set up a trade association.
  - D** were making excessive profits.
- 100** Before the merger, Lendel and Watson were aware that the two companies
- A** were already beginning to lose business.
  - B** had different strengths and weaknesses.
  - C** were doing too much subcontracting.
  - D** had similar ideas about business.
- 101** During negotiations, Lendel and Watson decided that
- A** the two of them could not work together.
  - B** one person would be in charge of the new company.
  - C** there would be no major changes in the new company.
  - D** the size of Promo could lead to problems.
- 102** What did Lendel do after the merger had been completed?
- A** She began putting staff in different teams.
  - B** She refused to make any staff redundant.
  - C** She explained to all staff how the merger would benefit them.
  - D** She congratulated the staff on their loyalty to the new company.
- 103** What does Lendel say about the company's legal costs?
- A** They were cleared more quickly than expected.
  - B** They had to be settled within a year.
  - C** They were not so high as she had expected.
  - D** They were reduced in return for early settlement.

**PART TWO**

**Section Six  
Questions 104 – 110**

- *A colleague has given you this job advertisement for checking.*
- *In some lines there is one wrong word.*
- *If there is a wrong word, write the correct word on your Answer Sheet.*
- *If there is no mistake, put a tick (✓) on your Answer Sheet.*

**Example:**

Please note that there has been a increase in

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the prices of some goods in the new catalogue.

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	<p><b>We are looking for a Senior Employment Adviser to be based in our Oxford office.</b></p>
<b>104</b>	Senior Employment Advisers support staff members on a various of complex
<b>105</b>	issues concerned with conditions of service. Applicants must been educated to
<b>106</b>	degree level else equivalent. They need up-to-date knowledge of employment law
<b>107</b>	and good practice, gaining through having significant experience of advising
<b>108</b>	employees on matters related to employment law. The successfully candidate
<b>109</b>	will also have well-developed written and advocacy skills for enable him/her
<b>110</b>	to submit cases on behalf of staff and represent employees on issues of assessment and promotion.

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