

Entry test

LISTENING

Track 1

Listen to a presentation about Oasis Organic Juice International's planned expansion. Choose the best word or phrase to complete these sentences.

- 0 The speaker plans to discuss the performance of _____.
a) possible takeover targets b) competitors c) suppliers
- 1 Zumotina's profits _____ last year.
a) remained steady b) grew c) dropped slightly
- 2 In the previous three years, Zumotina's turnover increased by _____.
a) more than 50 per cent b) about 15 per cent c) 41 per cent
- 3 Zumotina has recently had a _____.
a) management reshuffle b) rebranding c) product launch
- 4 Good Juice's products are _____.
a) sold only in the UK b) relatively expensive c) only partly organic
- 5 Good Juice's sales are _____ domestic.
a) exclusively b) mostly c) about 50 per cent
- 6 Last year, Good Juice's profits were _____ \$1 million.
a) less than b) about c) a little over
- 7 Kimura might help Oasis Organic develop a new _____.
a) manufacturing process b) brand image c) market segment
- 8 Kimura's sales last year were _____.
a) \$0.9 million b) about \$5 million c) nearly \$9 million
- 9 Most of Hightree's sales are _____.
a) domestic b) export c) direct
- 10 In the past three years, Hightree's profits have _____.
a) remained flat b) skyrocketed c) slightly increased

VOCABULARY

A Choose the best words to complete these sentences.

- 0 Mike is a good salesperson because he's very (persuasive / reserved)
- 11 Symons Logistics and P2P Parcel have set up a (joint venture / management) to run a new business logistics service in Eastern Europe.
- 12 The cash flow problems started when some of our (debtors / creditors) were late in paying us.
- 13 We can't completely eliminate waste but we can (negligibly / significantly) reduce it.
- 14 The clear, memorable logo has helped the (brand / workforce) become a global success.
- 15 The drivers' strike (disrupted / soured) distribution for about ten days.
- 16 Three top managers were laid off but they were given a generous (severance payment / remuneration) as part of the layoff package.
- 17 Liam is one of the most (irresponsible / considerate) managers I know and his team are all very loyal to him as a result.
- 18 We always give a (payment / refund) to dissatisfied customers who return a product.

B Complete the sentences with the words in the box.

bid bottom buck mile press stake straw

- 0 The family took legal action because the toy hurt their child.
- 19 Kyle Anderson holds a 51 per cent _____ in KA Exploration PTY.
- 20 Don't pass the _____, Leonard. You need to take responsibility for this problem.
- 21 I respect Paulo because he always does more than he's paid to do. He goes the extra _____ every time.
- 22 The _____ conference helped to end the speculation about the company's future.
- 23 Jones Carter Stone Magnussen has launched a takeover _____ for rivals Leech and Beesen.
- 24 Did you ever get to the _____ of that software problem you were having?
- 25 Having my holiday cancelled is the last _____. I can't work here anymore!

LANGUAGE

A In the article below, there is one mistake in each sentence. Underline the mistake and write the correct word or words on the lines on the right (26–32).

Opel aims for growth outside Europe

Opel would like enter a number of markets outside Europe next year in an attempt to boost the car-maker's flagging sales and accelerate its path to profitability.⁰

Opel wants to expand into 'at least' six markets in the coming year, probable including China, Australia and Argentina.²⁶

The ailing car-maker, which narrow escaped insolvency last year, sells only a tiny number of cars outside Europe.²⁷

A spokesperson said it would take nine to twelve months for Opel to enter that markets, as it would take time to set up dealerships and service networks.²⁸

The spokesperson also said the company was interest in Chile, Israel and Australia.²⁹

Opel's European markets are improving everywhere except in Germany, which the company is still reeling from the damage that last year's failed state aid application and sales process caused to the brand.³⁰

GM tried to sell Opel after the US car-maker went bankrupt but shelved the long-running and very public sales process after business picked out.³¹

Mr Reilly said Opel had managed to lift its European market share from 6 to 7 per cent in September, adding that he was expecting a further improve in sales in the next three months.³²

0 ...to enter....

26

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B Complete the sentences with the correct form of the verb in brackets.

0 I forgot to bring (bring) a pen. Can I borrow one?

33 I _____ (not meet) Dan before we were introduced at last year's sales conference.

34 I _____ (talk) on the phone with Ian when the lights went out.

35 Rick _____ (work) in Venezuela for ten years when he was transferred to Argentina.

36 Did you remember _____ (switch off) the lights when you left the office?

37 If we _____ (have) more time, we could have prepared a better presentation.

38 Liam _____ (speak) to technical support for two hours but his computer still isn't working.

39 We _____ (tell) Jim about his promotion yesterday. He was really happy.

40 Taro learned a lot about manufacturing by _____ (spend) time on the factory floor.

READING

Read the article and choose the best answer – a, b, or c – to the questions below.

- 41 How much of Priestmangoode's business was conducted with overseas clients last year?
- a) Some of it
 - b) Most of it
 - c) All of it
- 42 What is Priestmangoode's line of work?
- a) Design
 - b) Transport
 - c) Import–export
- 43 What do the decision-makers in most small British companies think about export?
- a) It's difficult and it rarely helps businesses grow.
 - b) It's a great way to grow a business but it can be difficult.
 - c) It isn't that difficult but it's also usually a waste of resources.
- 44 How do 80 per cent of small companies that export set up their export business?
- a) They approach it through careful research and planning.
 - b) They start exporting themselves rather than involving another company.
 - c) They respond to a request made by a foreign company.
- 45 What does the article say about most small British businesses?
- a) They don't do a lot of business internationally.
 - b) They have too many internal problems to develop export markets.
 - c) They're juggling staff all over the world.
- 46 What does Robin Godfrey help companies do?
- a) Locate partner companies in possible export markets
 - b) Develop products specifically for target markets
 - c) Identify target markets
- 47 Which countries are generally less difficult for UK companies to export to?
- a) Ireland and the Netherlands
 - b) The US and Ireland
 - c) China and the Netherlands
- 48 What does Godfrey recommend as an important part of research?
- a) Commissioning extensive marketing research in target export markets
 - b) Personally travelling to the target export market
 - c) Hiring staff from the target export market

- 49 What allowed Priestmangoode to grow?
- It dominated the domestic market.
 - It reached out to the global market.
 - It had financial expertise in working in global economies.
- 50 According to Paul Priestman, what do you have to deal with to export successfully?
- Language and culture
 - Import–export laws
 - Exchange rates

Some home truths about doing business abroad

By Jonathan Moules

Last year, Priestmangoode, the London-based design consultancy behind Virgin's Pendolino trains and BT's Home Hub broadband box, had no British clients. Its entire £3m turnover came from abroad.

This was a challenge for a business that employs only 24 people – albeit one involved in significant international projects, such as sculpting China's new high-speed rail fleet or laying out the interior of Lufthansa's A380 planes. 'Our staff can be working on projects in six continents,' founder Paul Priestman admits. 'It is a bit of a juggle.' If only more small British businesses had such problems.

The Federation of Small Businesses estimates that as little as 5 per cent of its membership of more than 213,000 companies gains any revenue from abroad, in spite of the general belief that exports are often the best way to grow.

The language barrier, local regulations and fear of not getting paid are all common excuses for not venturing abroad, the business group admits. Those that do take the plunge often end up getting their fingers burnt because they have not properly thought through the process.

Research by the British Chambers of Commerce (BCC) found that only a fifth of those companies that export took a strategic approach. Those that did, however, recorded the highest export growth.

The most common mistake made by companies exporting is that they don't do it for themselves, according to Robin Godfrey, head of the BCC's export marketing research service.

He has encountered this problem many times in his role providing support to would-be exporters on behalf of UK Trade & Investment, the government agency. 'Instead of looking at the world and saying "where should we invest next?", a company will get an e-mail from someone in New Zealand and then rationalise why they should set up an operation over there,' Godfrey explains.

'In fact, the person has contacted them from New Zealand because they are interested in their own business, not the company in the UK, so if that company then goes to New Zealand, they will be doing it for someone else.'

Godfrey's team tries to help UK companies pick their own ideal export country, using a process the BCC calls 'market selection'.

This involves a business owner placing 20 target countries on a board split into four quadrants, dividing them between the big and small markets, then again between those that are easy or difficult to enter.

The idea is to get companies to concentrate first on the easy target markets, most often Ireland and the Netherlands for UK-based companies. Often, only experienced exporters should consider the difficult markets, such as the US and China, Godfrey says.

'It is about being very clear in your head about how you identify your export markets,' Godfrey says, adding that research and actually visiting the country should all be done before taking the plunge and exporting.

Priestmangoode was an exporter from the day it started trading in 1986, because Priestman had already done work for Japanese companies while studying at London's Royal College of Art. He notes that the UK alone would never have provided enough business for the company to reach its current size.

To succeed in exporting you need to be prepared to travel at short notice, Priestman says. 'We have some very, very wealthy clients, who will see what we have done and ask us to a meeting tomorrow in San Francisco or New York,' he explains.

Priestman also believes in the importance of research to understand the nuances of different cultures. Consulate offices can help provide cultural training, for a small fee, he notes. However, he also makes sure he travels with an interpreter.

'The worst thing you can do is to think you know better,' he says. 'In China, for instance, I have learnt a lot from their manufacturers doing things in different ways.'



WRITING

You are the Human Resources Manager of a medium-sized firm. The company has been growing and you were hoping to hire a full-time assistant. You advertised the job of Assistant Human Resources Manager and selected Alicia Mendez as the ideal person for the job – someone with excellent qualifications and experience. You made a job offer to Alicia (conditional on approval from the Board of Directors) but the Board has not given their approval due to budget cutbacks. Write an apologetic letter (100–150 words) to Alicia to let her know. Tell her that the situation may change in the next few months but you can't make any promises. Wish her success with her job search and career.

SPEAKING

You are going to have a speaking test that will last 10 to 15 minutes.

The examiner will ask you to spend five minutes preparing a short (five-minute) presentation. Choose one of the topics below. You may make notes if you wish. After your presentation, the examiner will ask you to elaborate some of your ideas.

Topics

- A project you have worked on
- The value of working abroad
- What companies could do to encourage more women to reach top jobs

Entry test Answer key

LISTENING (10 MARKS)

1 b 2 a 3 c 4 b 5 b 6 a 7 c 8 c 9 a 10 c

VOCABULARY (15 MARKS)

- 11 joint venture
- 12 debtors
- 13 significantly
- 14 brand
- 15 disrupted
- 16 severance payment
- 17 considerate
- 18 refund
- 19 stake
- 20 buck
- 21 mile
- 22 press
- 23 bid
- 24 bottom
- 25 straw

LANGUAGE (15 MARKS)

- 26 ~~probable~~, probably
- 27 ~~narrow~~, narrowly
- 28 ~~that~~, those
- 29 ~~interest~~, interested
- 30 ~~which~~, where
- 31 ~~out~~, up
- 32 ~~improve~~, improvement
- 33 hadn't met
- 34 was talking
- 35 had been working
- 36 to switch off
- 37 'd had / had had
- 38 has been speaking

- 39 told
40 spending

READING (10 MARKS)

41 c 42 a 43 b 44 c 45 a 46 c 47 a 48 b 49 b 50 a

WRITING (15 MARKS)

See Examiner's notes.

MODEL ANSWER TO WRITING TASK

Dear Ms Mendez

Re: Post of Assistant Human Resources Manager

As you know, your appointment to the post of Assistant Human Resources Manager was conditional on approval from the Board of Directors. I am very sorry to have to tell you that we have been unable to get this approval. Although having an Assistant Human Resources Manager would be of enormous benefit to our company, we do not have the budget to fill the role at the present time.

I very much regret having to withdraw our job offer since your qualifications and experience would have made you the ideal person for this post.

There is a possibility that the situation may change within the next few months and if this is the case I will let you know. However, please be aware that we cannot offer any guarantees.

I wish you every success in your job search and in your future career.

Yours sincerely

SPEAKING (15 MARKS)

See Examiner's notes.

Audio scripts

ENTRY TEST

Track 1

We focus today on four companies we believe could be targets for Oasis Organic Juice International's planned expansion. How have they been performing recently?

Let's start with Zumotina. Last year, it reported strong growth, with sales of \$6 million and net profits increasing by 15.8 per cent. In the three previous years, turnover increased by 51 per cent and profits by 28 per cent. Zumotina has been very successful. Earlier this year, it introduced new 'pure juice' products which have been very popular.

Next, Good Juice, the UK company, is using all organic fruit to make high-end blended juices. Its main market is the UK but it also operates in the Netherlands. Last year, turnover was \$8 million, with net profits of only \$0.2 million. In the three previous years, profits grew by 7 per cent. Good Juice is planning to open a new plant in the near future.

Kimura Organic Fruit Products is another company Oasis Organic will probably be looking at. This Japanese company manufactures not only organic juices but also frozen fruit desserts. It also has several juice bars in Tokyo and Osaka. It could give Oasis Organic the opportunity to expand into Asia and to develop the juice bar segment of the market. Kimura, with sales last year of almost \$9 million and net profits of \$1 million, is a tempting target for Oasis Organic. The company grew fast in the previous three years, with profits increasing by 48 per cent.

Finally, will Oasis Organic go for a company near home? Some say they're taking a close look at Hightree Organic, based in Los Angeles, California. Hightree is one of the top manufacturers of organic juice products in North America; 95 per cent of its sales are in the home market but Hightree Organic also distributes in the UK. Sales topped \$10 million last year, with net profits of \$1 million. Profits have increased by less than 10 per cent in the last three years but the company has a strong position in the organic juice industry.