





Wirtschaftsenglisch

November XXXX

Dezernat V – Internationale Angelegenheiten Abteilung 3 – Fremdsprachenzentrum

Gesamtdauer: 180 Minuten

Innocent – The Smoothie & Fruit Juice Company

This exam is about 'Innocent', a company which makes smoothies and fruit juices. By watching a video and reading two texts, you will learn more about the company, its HQ, and find out what they are doing that is fun and also benefits a good cause. The video and



two texts contain information that is useful, and can in fact be used in the final written production section of the exam, in which you will demonstrate your acquired knowledge on the marketing and CSR practices at Innocent.

The exam consists of the following three stages:

- 1. *Hörverstehen:* You will **watch a video** about the company, and answer comprehension questions about what you have seen.
- 2. *Leseverstehen:* You will then **read two texts**, and answer comprehension questions about what you have read.
- 3. Schriftlicher Ausdruck: You will write one short comment and one essay.

Source: http://startups.co.uk/richard-reed-on-marketing-campaigns-for-innocent-drinks-video/







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Hörverstehen

Empfohlene Bearbeitungszeit: 45 Minuten

Bewertung		
1. Prüfer/in	2. Prüfer/in	
Punkte von 25	Punkte von 25	
Unterschrift	Unterschrift	
Mittelwert	arithmetisches Mittel aus den Bewertungen beider Prüfern/innen)	
Note		

You are now going to hear a report about 'Innocent' in which you will learn more about the company, its headquarters, and what the company does that is not only fun but also benefits a good cause. The report contains information that is useful, and can in fact be used in the final written task. You will hear the report twice.

Source: https://www.youtube.com/watch?v=ge59TUk7FPU

Please note: Lexical and grammatical errors will only affect the points awarded for each question if understanding is impaired.

Report One: Innocent

Please answer the following questions.	
1. What has the 'Fruit Towers' previously been called?	1 point
2. What is the 'Fruit Towers'?	1 point
3. Who is based at the 'Fruit Towers'?	2 points

4. How is the working environment described? 2 points

5. How does the company keep its drinks natural?

Matrikelnummer:

1 point

6. What reaction to the drinks does the company want from its customers? 1 point

7. What commitment does the company have when it comes to fruit? 3 points

8. What journey has the company started out on? 3 points

9. What does Innocent commit to every year? 1 point

10. What does Ben love?

2 points

11. Please explain the 'Big Knit' campaign idea and its background. 6 points

12. What does the figure 500,000 refer to?

13. What is the 'Funding Network'?

1 point

1 point







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Leseverstehen

Empfohlene Bearbeitungszeit: 60 Minuten

Bewertung		
1. Prüfer/in	2. Prüfer/in	
Punkte von 32	Punkte von 32	
Unterschrift	Unterschrift	
Mittelwert	arithmetisches Mittel aus den Bewertungen beider Prüfern/innen)	
Note		

5

10

25

You are now going to read two texts about the takeover of the Innocent brand and its business imperative. The texts contain information that is useful, and can in fact be used in the final written task.

Please note: Lexical and grammatical errors will only affect the points awarded for each question if understanding is impaired.

Coca-Cola takes full control of Innocent

Coca-Cola is taking full control of Innocent smoothies in a deal that will make millions of pounds for the company's founders. Coke, which first bought an 18% stake in the company in 2009, refused to disclose the terms of the deal but is likely to have paid substantially more than the £76m it paid for a further 38% in 2010.

The deal, which is subject to competition approval, will take Coke's stake above 90%, with the three founders retaining an undisclosed "small, but significant stake".

Richard Reed, one of three Cambridge University graduates who founded Innocent at the age of 26 in 1999, <u>denied they were selling out</u>. "Our aim was to make Innocent a global brand and take its ethical values to the world's consumers. We decided that we would be able to do a better job of that with Coke."

Reed said the relationship with Coke had been "beautiful" because the founders had been able to run the company but take advantage of Coke's marketing and buying power.

15 Olympics and our drinks were sold all over the park – and we got loads of tickets for the beach volleyball," he said.

Reed said he and the other founders – Adam Balon and Jon Wright – will continue to advise Innocent and serve on the company's executive committee. "But we're not

"Because of Coke we were the official smoothie of the

20 going to be the guys that make the ultimate decisions anymore."



Reed said he hadn't decided what he'll spend his <u>personal windfall</u> on beyond a nice summer holiday and "helping my two sisters with somewhere to live". "We've worked hard for 15 years this is one of the benefits of it," he said. "We're not just going to take the money and go sit on the beach, although there's definitely enough to do that." Reed said he and the other founders have also set up a fund to help other young British entrepreneurs. The Jam Jar fund has already invested in a 24-year-old woman's "funky sportswear" business after all the main high street banks rejected her business plan.

Source: http://www.theguardian.com/business/2013/feb/22/coca-cola-full-control-innocent

30 Innocent drinks: Sustainability is now a business imperative

We are moving from a point in time where companies do sustainability because it's the 'right thing to do', to a point it is <u>essential to the bottom line</u>. That's according to Charlotte Cawthorne, the sustainability manager at Innocent drinks which sells two millions smoothies a week.

- 35 Speaking exclusively to edie, Cawthorne warned that the growing threat of climate change and water stress could pose an existential threat to slow-to-adapt companies. For Innocent, a company whose fruit supply chain extends across the globe, protecting against these risks is vital. Cawthorne said: "We're working to improve our resilience to security of supply risks like climate change, water scarcity, soil degradation, extreme weather events and the increasing incidence of pasts and diseases. These have become very real business risks. For this
- 40 incidence of pests and diseases. These have become very real business risks. For this reason I think the key advice is to ensure the company strategy and sustainability strategy are the same, the two things can no longer be separate."

Securing a sustainable and steady supply of fruit is vital to the business, but as Innocent continues to grow, Cawthorne says it is getting harder and harder to monitor the entire supply chain. One solution has been to tackle issues on a macro level. In recent years, Innocent has carried out several projects in partnership with farmers and local universities to find new efficient agricultural processes, which it then shares across the supply chain. For example, a partnership in Spain with the University of Cordoba, trialled different types of irrigation and water management and found a way to grow the same number of strawberries using between 10% and 40% less water. Similarly a partnership with Indian mango farmers

50 using between 10% and 40% less water. Similarly a partnership with Indian mango farmers and a local university led to the development of a sustainable agriculture plan which increased yields by 25% despite dwindling levels of rainfall.

"We do definitely collaborate," said Cawthorne. "Especially if there's systemic change needed, we don't just tell the farms to change and expect them to do it on their own."
Cawthorne said this type of project may not garner headlines, but undoubtedly helps to mitigate the business risk posed by water shortages. She explained: "We haven't set our standards according to what the latest trend is in ethical consumption, we set them according to what we think is important, and that means what we work on isn't always what would give us the best image. "Fortunately our brand image gives us a certain amount of trust, but we

60 don't want to abuse that trust and I think we've set higher standards for ourselves because of that.

She also cites that trust as the reason why Innocent doesn't produce a full sustainability report, adding: "We could spend our time writing reports or we could spend our time working on sustainability projects, so we've always chosen to do the latter. "This might be a luxury we

65 have because we have a certain amount of inherent trust from our drinkers, but until we have to, we'll keep focussed on progressing our sustainability projects rather than reporting."

The culture of sustainability at Innocent is so strong that Cawthorne says the only things that would make her job easier are external changes. "If the oil price was higher for example, that would reduce the relative price of recycled plastic," she said. "Or if we had a government that

50 seized the opportunity to do things differently and incentivised the level of decarbonisation that's required to secure the long-term future of businesses like ours, then we'd be able to do much more sustainability work while retaining our competitiveness."

Source: <u>http://www.edie.net/news/4/Innocent-drinks--Sustainability-is-now-a-business-</u> <u>imperative/</u> (2015)

Please answer these questions (as far as possible) **in your own words**. You should show understanding of the texts and not simply copy large parts.

1. What still potentially stands in the way of the Coca-Cola takeover? 1 point

2. According to Richard Reed, what advantages does the takeover by Coca-Cola bring for the Innocent brand? 3 points

3. What did Reed particularly appreciate about the relationship between the two companies so far? 2 points

4. How will the role of the original founders of Innocent change with the takeover? 2 points

5. What seem to be the aims of the Jam Jar fund?

2 points

6. Why does Charlotte Cawthorne advise that sustainability should be an integral part of company policy? 2 points

7. Explain how the company's recent projects involve 'tackl[ing] issues on a macro level'. 3 points

8. In what way can the changes in mango production be described as more sustainable? 1 point

9. According to Cawthorne, why does Innocent sometimes choose not to publicise or report on their sustainability projects? 4 points

10. What external factors would make Innocents's products more competitive – and why? 4 points

11. Please explain the following expressions briefly in your own words:

a) denied they were selling out (line 9)

2 points

b) personal windfall (line 22)

2 points

c) essential to the bottom line (line 32)

2 points

d) to mitigate the business risk (line 56)

2 points







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Schriftlicher Ausdruck

Empfohlene Bearbeitungszeit: 75 Minuten

Bewertung		
1. Prüfer/in	2. Prüfer/in	
Punkte von 52	Punkte von 52	
Unterschrift	Unterschrift	
Mittelwert	arithmetisches Mittel aus den Bewertungen beider Prüfern/innen)	
Note		

In this section of the exam, you can use any of the information which you heard in the listening report (*Hörverstehen*) or read in the two texts (*Leseverstehen*) to complete the questions.

Short Comment (Recommended Time: 15 mins)

Please answer the following question on the paper provided. Your answer should be approximately 120 words. You will be assessed on content (6 points) and language (6 points).

In your opinion, how can Innocent promote its positive CSR message to consumers most effectively?

12 points

Essay (Recommended Time: 60 mins)

Please answer the following question on the paper provided. You will be assessed on content (15 points), structure (10 points) and language (15 points).

CSR is a business imperative at Innocent.

What are the business benefits of CSR to the company?

Please use concrete examples to substantiate your content points.

40 points