

Paper Reference(s)

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Edexcel GCSE

Business Studies

Background Information Sheet
(For the June 2004 Examination)

INSTRUCTIONS

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Edexcel
Success through qualifications

Context – Fortune Ltd

John Fortune was a sole trader in the haulage and storage business. When his son, Leslie, joined the business in the 1970s, the business purchased its first passenger coach and became a private limited company. The haulage and storage side of the business stopped and it was decided to concentrate on coach hire and developing the coach tour side of the business.

In 1995 Leslie Fortune's sons, Graham and Keith, joined the business and today are joint Managing Directors with their father as Chairman of Fortune Ltd. They employ a Finance Director and a Sales and Marketing Manager.

The coach hire and coach tour business is in a highly competitive market where there are approximately 5 000 similar companies. However, they have some groups of customers who booked with them when the coach tour side of the business was developing and have remained customers ever since.

As Fortune Ltd has expanded, the main services offered are:

- private hire;
- school travel;
- day trips;
- a tour planning service (British and European) for groups, which includes arranging the itinerary, travel, accommodation, insurance and currency.

Fortune Ltd has 32 coaches and has a policy of continually updating its fleet of coaches. It employs a full-time coach-driving instructor to train its own drivers and drivers from other coach companies.

Nearly all Fortune Ltd's drivers are full-time and are paid a guaranteed weekly wage with generous overtime and commission on any tour booked from brochures given out by the drivers. Drivers are trained in basic first aid and defensive driving. When drivers complete their training they get pay rises. Fortune Ltd were 'Coach Operators of the Year' in 1998, in part due to the consistent quality of service offered.

Web sites:

Confederation of Passenger Transport

www.cpt-uk.org

Coach Marque

www.coachmarque.org

Guild of British Coach Operators

www.coach-tours.co.uk

Weekly trade paper

Coach and Bus Weekly