

# Business in the News

## Jamie Oliver: What went wrong at Jamie's Italian?

You may have eaten in one of his restaurants, you may have watched his TV shows or used one of his cook books. On the 22nd May 2019, Jamie Oliver's restaurant group went into administration. Accountancy firm KPMG was brought in as administrators to oversee the process.

Jamie Oliver put £4m 'cash' into the business to try and solve the ash flow problems.

How could a business like this go bust? He is a well known TV chef, he has a loyal following and was providing Italian food which people enjoyed.

It's a shame because not only have customers lost out, but so did employees, local residents, suppliers, land owners by its demise. Even the shareholders would have lost the amount of the investment. Could anything have prevented it? What can we learn? How can we stop it happening again?

All these questions will be topics in our business lessons for the



next two years!

To prepare for your business course you need to investigate any company that has either stopped trading or a company has been bought out by another company. You can look into Jamie's Italian, other examples include Thomas Cook, FlyBe, Patisserie Valerie, LK Bennet (intended administration) Steamer Trading (cook shop) Phones4u, Zavvi, Little Chef, JJB, Woolworths, Blockbuster, Poundworld.

Please choose a LTD or PLC—it will make it easier to find out information!

By answering the questions

below you should be able to identify, analyse and make recommendations of how and why your firm failed and what other firms can learn from this.

These are the key skills that you will need to succeed in your business course so we might as well start practicing them!

### Report title

### **Why do businesses fail?**

### Task instructions

Carry out your own research into a business that has failed and write about your findings in a report. If necessary you can make reference to the Covid-19 pandemic, however try to look beyond this.

## The summer task (A-level Business)

### Questions to answer (Outcomes)

- 1) What is a limited company and how is it different from other types of business ownership?
- 2) What is the name of your company you are investigating and can you outline a small amount of history about the company?
- 3) What products or service did they offer/ed?
- 4) Who are/were their customers? (Segments such as class, sex, ages)
- 5) State the problems the businesses faced and explain their effects
- 6) State the reasons behind these problems-what were the causes behind these changes? (analysis A03)
- 7) Your judgement - **Recommend (based on the research on your company) how a similar business**

could protect itself from similar problems you have described in question 5

Report should be approximately **1000 words**, plus accounts which should be attached.

List of source material that you have used including text books - Bibliography (not just cut and paste from Wikipedia)

Good luck!

### Learning Objectives

To get overview of the business course, and practice analysis while investigating a business failure.

Development of analysis and evaluation of basic business concepts, in context of your independent research

### Support—email

aifairham@spaldinggrammar.lincs.sch.uk

### Marking scheme

Business knowledge explained, questions answered limited company defined (A01,A02)	5
Analysis of the similarities and differences—Causes of failure of two businesses (A03)	5
Clarity of recommendations based on analysis (a Justified decision/evaluation of what another firm could learn from this, A04)	10
TOTAL (E=14 A=20+)	20