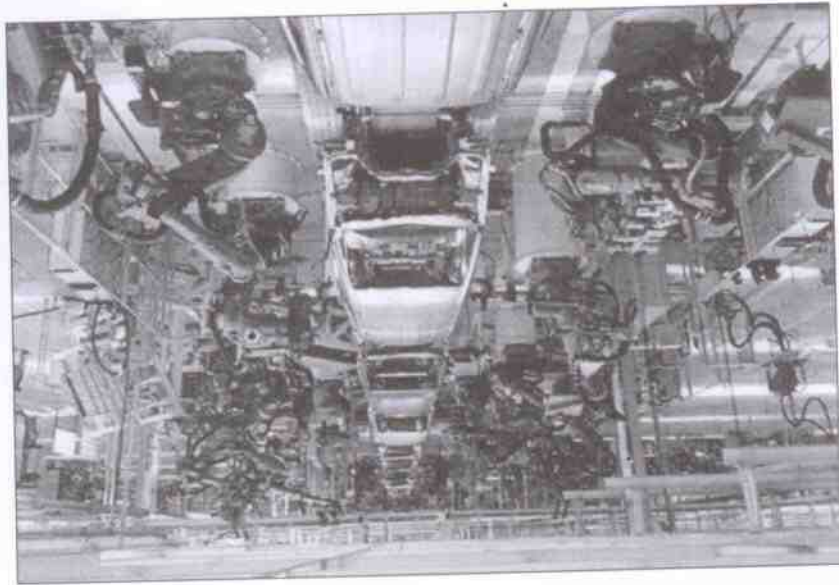


2. NISSAN 'INVITATION' COMPACT CAR TO CREATE 2,000 JOBS

Jobs for more than 2,000 people are expected to be created by Nissan at its Sunderland plant and among its suppliers by a new small compact car project costing £125m. Production of the car, based on the Invitation concept car, is due to start in 2013 at an initial rate of 100,000 a year. The Nissan expansion will create 400 jobs at the factory and 1,600 more in the supply chain. Those firms in the supply chain will need to comply with Nissan's **Just in Time (JIT)** system, a central element of the company's **lean production** philosophy. The fact that only 400 of the new jobs will be created in order to produce 100,000 cars at the factory suggests that even greater use will be made of **robotic technology** in the future at Nissan.

Adapted from: www.bbc.co.uk



- (a) (i) What is *lean production*? [2]
- (ii) How might *lean production* benefit firms such as Nissan? [4]
- (b) Explain the advantages of adopting a '*Just in Time*' (JIT) system. [6]
- (c) Evaluate the view that, for a car manufacturing plant such as Nissan's, using *robotic technology* is always better than employing people to do the work. [8]