

3 (a) Explain **two** benefits and **two** limitations of CC using batch production.

Benefit 1:

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Benefit 2:

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Limitation 1:

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Limitation 2:

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[8]

(b) Consider the **two** options for CC's new cookies outlined in Appendix 3. Which option should CC choose to produce? Justify your answer using appropriate calculations.

Option 1:

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Option 2:

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Recommendation:

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[12]