

Business negotiation (1)

Reaching an Agreement on the Business/

Not Reaching an Agreement



(1) Vocabulary

Currency -

Fluctuations -

Hedging -

Supply -

Stockpile -

Capital Outlay -

Partial Offset -

Deferred Payment -

Board Approval –

Loan -

(2)Conversation

- LENA: ...so that's our offer. We think it's a fair one, with advantages for both sides.
- VICTORIA: Yes, well, we're prepared to consider your offer Ms Chan, if you can accept some conditions.
- SORAYA: And subject to consideration by the board...
- JENA: What are the conditions?
- VICTORIA: Well, firstly the price you're proposing. Would that be variable depending on currency fluctuations?
The issue is that we're in an unstable environment at the moment - the exchange rate could affect us negatively.
- JENA: Us too!
- VICTORIA: True, but the problem is that we're tied to the U.S. dollar.
- LENA: We could consider hedging against currency in both directions.
- SORAYA: That would be acceptable.
- VICTORIA: Another problem we may have is that of supply. Our customers often need supply at short notice. If we do get large orders, we need to guarantee delivery - so we need to stockpile. The difficulty there is the capital outlay. How would you feel about a partial offset against our sales?
- JENA: You mean a loan.
- VICTORIA: I suppose so.
- SORAYA: Would you be agreeable to a deferred payment? We can provide security of course.
- LENA: I think that would be acceptable.

Unfortunately, I would need to get Board approval for it.

SORAYA: Of course.

VICTORIA: Then I think we might have a deal!

LENA: In principle.

JENA: Time to celebrate!

(3) Activity 1

Word Booster

Define the words in the dialogue and use each word in sentence.

(4) Activity 2

Screen English:

Financial Vocabulary

<http://www.youtube.com/watch?v=jIMlcT4bfUw>

<http://www.youtube.com/watch?v=9REw-ohiNJU>