

Lesson 74: Negotiation 1

By Xandra

1. Dialogue

First, repeat after your tutor. Then, practice each role.

Ms. Andrews is a sales manager at Sun Food Factory, a company that supplies food products such as flour, sugar, chocolate, etc. Taro works for a big food chain called Mick Doughnuts. He is negotiating about his company's payment terms.

Taro: It looks like it's going to be a good year for Sun Food Factory. Mick Doughnuts is opening 20 more stores this year.

Ms. Andrews: That's great news!

Taro: It means that we will be increasing our order volume. We're estimating a 30% increase.

Ms. Andrews: That's **equivalent to** 50 more tons of food supplies.

Taro: That's right. I'm here to ask you for better payment terms. Mick Doughnuts has been a loyal customer for many years. Yet, we're still on only 15-days credit.

Ms. Andrews: We treat all our customers the same way.

Taro: Mick Doughnuts is a growing company, and I believe that we are your biggest client. Other food suppliers would be happy to have our business.

Ms. Andrews: What is it that you want to propose, Taro?

Taro: Mick Doughnuts is willing to make Sun Food Factory our official supplier. But we want a 90-days credit for all our payments.

Ms. Andrews: It's not my decision to make. Let me talk to the company executives about this.

2. Today's Phrase

First, repeat after your tutor. Then, make a few sentences using Today's phrase.

1. Is \$100 **equivalent to** 12,000 Yen?
2. According to experts, twenty minutes of meditation **is equivalent to** one hour of sleep.
3. One meter **is not equivalent to** a yard.

* **be equivalent to ~ / ~に相当する**

3. Your Task

Your company is interested in buying an old factory and you are in charge of the negotiation. The asking price is \$800,000 but the company wants to buy it for \$500,000. The machines in the factory are old, and the building needs to be renovated. Tell the seller (=your tutor) how much the company is willing to offer for the old building. You should also explain that the equipment in the factory can't be used anymore.

4. Let's Talk

What kind of negotiations have you done in the past? Were you successful?
 What are the important things to remember when negotiating?
 What's the importance of negotiating costs?

5. Today's photo

Describe the photo in your words as precisely as possible.

