

Closing A Deal



(Mr. Honda set another meeting with Mr. Chan after the first negotiation.)

Mr. Honda: Good morning, Mr. Chan. Thank you for the copy of your business proposal.

Mr. Chan: So, that's our offer. Every detail is transparent. We think it's a fair one, with advantages on both sides.

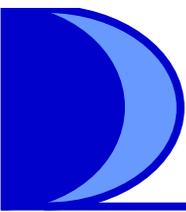
Mr. Honda: Yes, well, we are prepared to consider your offer Mr. Chan if you can accept some of our conditions.

Mr. Chan: What are the conditions? The conditions are still subjected to the Boards agreement.

Mr. Honda: Well, firstly, the price you're offering. As stated in the proposal, the cost of the semiconductor is \$21. Our board would like to have a concession from \$21 to \$ 19.50 per unit and extending the contract from one year to two years.

Mr. Chan: I think we could consider. That would be acceptable.

Mr. Honda: Another problem we may have is that of supply. Our company often needs a supply at a short notice. If we do get large orders, we need to guarantee delivery – so we need to stockpile. How would you feel about the deferred payment?



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Mr. Chan: You mean a loan?

Mr. Honda: I suppose so. Bell Trading is going to order 500 stocks of advanced semiconductors which will be paid quarterly. But for the stockpile, we would like to consider a deferred payment. We would provide security of course.

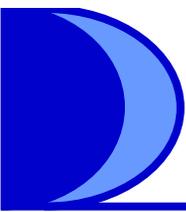
Mr. Chan: I think that would be acceptable. Fortunately, we have the boards approval for that.

Mr. Honda: Of course.

Mr. Chan: Then we have a deal.

Useful Expressions:

- 1. We are prepared to consider your offer. - using language carefully. This statement signals the other party that there is a chance for agreement by using the word “consider”.
= We are prepared to think about your offer.**
- 2. If you can accept some of our conditions. – conditional, this is necessary in order to have a concession to both parties.**



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3. **Subjected to the Boards agreement. - means we agree if and only if the Board agrees**
 - = subject to the board agreement
 - = providing that the board agrees
 - = on condition that the board agrees

4. **Another problem we have is – use in stating problems**
 - = The issue is....
 - = The difficulty we have is...

5. **How would you feel about... - use if you think that it may be a difficult condition for the other side to accept**
 - = Would you be agreeable to

6. **That would be acceptable. – accepting suggestions**
 - = We can agree to that.
 - = We would be agreeable to that.

7. **Refusing an offer**
 - = That wouldn't be acceptable I'm afraid.
 - = I'm afraid we can't agree to that.
 - = We wouldn't be agreeable to that.

Key Words:

1. **conditions – to make terms**
2. **concession – the act of giving way to the suggestions**
3. **stockpile - A supply stored for future use, usually carefully maintained**
4. **short notice – given at the shortest time**