Units

Unit I

Reading I > A Hard Bargain

George Bracer is in charge of organising a series of summer concerts of classical music in the garden of the city hall. It is now early spring. The musicians have already been booked to perform, but this is just the beginning of George's hard work. A stage needs to be built in the garden; chairs for the audience need to be procured; a catering company must be engaged to provide food and drinks. Today, George has a second meeting with Joan and Jacob, who represent the construction company responsible for building the stage.

'Joan, Jacob, **it is a pleasure to welcome you here today**', he greets them as they enter his office and make themselves comfortable. '**Thank you very much for coming** at such short notice. As you know, the schedule is tight, so we need to make some important decisions here today. **As our first order of business**, can we agree on a procedure for this negotiation?'

'Sure, George, good idea', Joan nods her head. '**If I may suggest**, let's see what options we have first, then you might have to give us a moment to consult with headquarters. Ultimately, we should be able to make all the decisions here today, without any need for further meetings. **Is that compatible with what you would like to see?**'

'Yes, that's perfect', agrees George.

'Right. Now, at our last meeting we discussed the final deadline for the project. As far as I remember, you suggested that we should agree on 30 May. We've given it a lot of thought and we reckon it is not realistic. We will not comfortably finish our side of the project before 25 June. The first concert is planned for 27 June, so we would still be well within the time frame,' Jacob points to the dates on the small calendar on the desk.

'**I am not sure I fully understand your point.** Do you mean the building work will not be finished earlier than 25 June?' enquires George.

'No, not exactly. The builders should be able to complete the construction on 7 June. However, we need to allow extra time for the building inspector's visit and for clearing all the paperwork. Also, the tools and vehicles will need to be removed, the site cleaned up, the grass restored – all of that will need time too.'

'I understand that. However, I cannot accept a schedule where only two days are left between you finishing and the first concert beginning. Then again, as far as my suggestion was concerned – the 30 May deadline – it referred only to the construction work itself. I would be willing to give you an extra two weeks, i.e. until 14 June, for the other aspects of your work that you just mentioned.'

'I see', Joan cocks her head. 'From where we stand, a better idea would be to push the construction deadline a bit further – some of this work just can't be rushed, no matter how hard the builders work: elements require time to set, and so on. On the other hand, we might be able to compensate by shortening the extra time afterwards.'

'Could you be a little more specific?'

'Let me have a word with the construction team leader, ok?' Jacob reaches for his mobile phone and speaks to someone quickly. When he gets off the phone, he is ready to rephrase his offer. 'Let me make an alternative proposal', he says. 'The construction work will go on until 7 June as planned. However, we will then work at maximum capacity to shorten the time for the extra tasks. This way, we can plan the final deadline for 20 June. Would that be acceptable to you?'

George considers this for a moment, pen and calendar in hand. He does not seem convinced. Finally, he says: '**The bottom line is**, I am not comfortable with having the final deadline so close to the date of the first concert. It leaves me no **room for manoeuvre** in case anything goes wrong. I'd be prepared to give you more time – say, until 5 June – for the construction, and then a maximum of two weeks for the remaining tasks. This way, we should be finished on 18 June. Would you be prepared to accept such a timeline?'

Joan looks at Jacob. 'You **drive a hard bargain**, George!' they laugh. 'We should be able to be ready by then, but under one condition.'

'What is that?'

'The cleaning crew would have to be working overtime for these two weeks. This means our overall price for the project would go up slightly, compared to the estimate we provided, to reflect the higher payments that would have to be made.'

'That's fair', concedes George. '**Let's just confirm the details** then. Your price estimate would remain the same, with the exception of labour costs, which would increase by...?'

'Say, 5%,' proposes Joan. 'And yes, the other elements would not be affected.'

'I believe we have an agreement here – 5% is acceptable.'

'So, are we finished with that point? If so, let's go on to the next one.'

George, Joan and Jacob still have a few points to negotiate, but they are all quite sure that they can **find common ground** – find a way of accommodating the interests of both parties.

Reading 2 > Negotiations > Useful Phrases

To **open** (= start) **a negotiation**, you can use the following phrases:

- I would like to welcome you to this introductory meeting / to today's meeting / to our final meeting.
- It's a pleasure to welcome you here today / to welcome you on behalf of our team / to welcome you to our headquarters.
- I would like to begin by suggesting an agenda / by putting forward a suggestion for an agenda / by going over our agenda for today.

To make sure that a **suggestion** is **acceptable** to the other party, or to check whether the other party has anything to add at a given point, you can ask:

- How does that fit in with your objectives? Is it acceptable?
- Does that meet your expectations?
- Is there anything you would like to change at this point?
- Would you like to introduce any amendments to our decisions so far?

If you need **clarification** (= explanation) of some point, the following phrases can be helpful:

- Could you be a little more specific?
- Could you clarify this point for me?
- Could you perhaps give some more details concerning this point?
- What exactly do you mean by this?
- Could you explain in more detail how you imagine this in practice?

Here are some useful phrases for the **bargaining phase** of the negotiation (= when it is time to make the decisions who will do what, and in exchange for what):

- We have given a lot of though to what you propose, and we are now ready to respond.
- As far as your proposal is concerned, we believe that it needs to be discussed further / that it puts us at a slight disadvantage / that it might work for us, with a few small changes.
- We would be willing to accept it, provided that you lower the price by 5% / give us an extra month / extend the deadline a little further.
- We'd be prepared to accept your suggestion, on one condition.
- We would like to offer an alternative / to make an alternative proposal.
- We feel that there should be some trade-off if we agree. Therefore, we suggest...
- What would you be willing to offer in return?

To **decline an offer** (= to say NO), you can use the following phrases:

- I'm afraid your offer doesn't go far enough.
- Unfortunately, we must decline your offer, for the following reason(s).
- I'm sorry, but we cannot accept this.

To **accept an offer** (= to say YES), you can use the following phrases:

- We are happy to accept this agreement.
- Yes, this is perfectly acceptable to us.
- I believe we have an agreement.
- We have a deal.
- It's a deal.

If a participant of a negotiation is **digressing** (= moving away from the main subject) and you feel this is not an appropriate moment for that particular discussion, use one of these phrases:

- Can we leave that for later and first look at point 2 of the agenda / and finish this discussion first / and give consideration to these concerns first?
- Could we deal with the employment matters first / with the questions raised by John first / with Evelyn's suggestion first?

Unit I

Exercise 1

Fill the gaps with appropriate words. The first letter of each required word has been already given. All the words you need for this exercise have been used in Reading 1 > A hard bargain and Reading 2 > Negotiations > Useful Phrases.

Example: Good morning everyone! It is my pleasure to <u>welcome</u> you here today on behalf of Excellence Ltd.

- I. Is our proposal c..... with what you would like to see?
- 2. I would like to begin by suggesting the following a: first, labour issues, then the dividend payments, and finally the suggested takeover bid.
- 3. As far as your suggestion is c....., I believe we can move the deadline two days forward would that be acceptable to you?
- 4. I would be w..... to accept this change on the condition that you keep us fully informed about the progress of the work.
- 5. Could you be a bit more s.....? I am not sure I'm picturing the details of that correctly.
- 6. Could you c..... this for me, please? I am afraid it is difficult for me to follow since I have little background in this area.
- 7. If this is not in line with what you expected, let me make an a..... proposal.
- 8. The b..... line is, we need to be ready for the beginning of the Olympic Games.
- 9. This solution offers no flexibility and gives us no room for m..... in case any problems arise.
- 11.1 am afraid 1 must d...... your offer accepting it would mean that our people have to work 24/7, and we cannot afford that.
- 12. Marvellous! That's exactly what I was looking for. We have a d.....!
- 13. He is a very tough negotiator and he is famous for always d..... a very hard bargain, for which he is both adored and widely hated.
- 14. Can we l..... this point for later? I understand that it is valid, but there are other issues we need to discuss first.
- 15. The key to successful negotiation is finding c..... ground and looking for solutions that would satisfy both parties.

Wordbuilding > Noun > Adjective Transformations

NOUN

ADJECTIVE

acceptance alternative amendment clarity	acceptable alternative amendable clear
compatibility	compatible
condition	conditional
consideration	considerate
pleasure	pleasant

Exercise 2

Use the words listed above in Wordbuilding > Noun > Adjective Transformations to complete the gaps in the text below. The context will help you decide which word to use. You don't need to use all the words listed.

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Example: The First <u>Amendment</u> to the American constitution protects the freedom of speech.

Reading 3 > The Art of Drafting

Professor Kind, a lovely elderly lady, is holding a lecture for her first-year law students. She looks at the faces in front of her, some anxious, some eager, some tired (which is entirely understandable, she thinks, what with the heat, and it being already 4 pm).

She enjoys giving these lectures very much, and it must be said that her students tend to enjoy them too. Professor Kind has a knack for sharing her considerable knowledge with charm and ease.

'A **draft** is basically a text containing the main ideas and intentions of its author, but not in the developed, final form,' she explains. 'So we say that a lawyer **drafts** a contract – prepares a first, or second, or third version of it, getting closer and closer to the perfect version the client requires. You can also say that the lawyer **draws up** the contract: creates it, so to say. The last version is called the **final draft**. It gets printed nicely on the client's **letterhead** and then it is ready...' A student's raised hand stops Professor Kind in her lecture. It is the Armenian girl who is quite new to the university and sometimes – quite rarely indeed, the professor has noticed with appreciation – has problems understanding certain English words. Professor Kind is very respectful of anybody who pursues academic studies in a language that is not their native tongue. She understands the effort that it involves.

'Yes, dear?' she enquires.

'What does 'letterhead' mean, Professor Kind?'

'Why, letterhead, technically, is the heading at the top of a sheet of letter paper, usually consisting of the name and address of a business enterprise. Sometimes we also use it to refer to stationery imprinted with such a heading. OK?' The student is satisfied, and Professor Kind continues. 'This printout of the final draft is called the **engrossment**. This is the document that the **parties to the contract** will sign – **to execute**, we say professionally.'

The students are diligently taking notes. Professor Kind gives them a moment – she believes in taking good notes. She takes a sip of water from her tall glass and then moves on.

'In the opening part of the contract, we state the legal names of the parties. Then, it may be smart to include **recitals**. The purpose of recitals is to provide background information: if we need to bring the reader – be it a party, another lawyer involved in the case, or the judge – up to speed on what the contract concerns and why the parties have decided to enter into it. Formally speaking, recitals are the 'whereas' clauses that precede the **body** (= operative part) of a contract. Now, an important thing to remember is that you should always be consistent in using words. If you start referring to the **subject matter** of a sales contract as 'goods', then it would be smart to use the term 'goods' throughout the contract. Resist the temptation to alternately call them 'items' or 'products'. It is much more important to maintain consistency than to avoid repetition. You might have been told at school that repetition is bad literary style. Make no mistake here: style does matter,

but what matters much more is clarity. For the sake of clarity as well, write numbers as both words and numerals: ten (10).'

With a quick look, Professor Kind checks whether the students are paying attention. They are, she notices with pleasure, so she goes on.

'At the end of a contract, you will typically find standard terms, which are also, of course, important, but which do not reflect the essence of the deal referred to in the contract. Do you know what I mean?'

The Armenian girl raises her hand and says, 'Maybe the provisions describing the period of notice, or asserting which law **governs** the contract, or which party is obliged to pay legal fees in the event of a conflict?'

'That's right', confirms Professor Kind. 'These are often called **boilerplate**.' The students' pens (or, in some cases, laptop keyboards) are made to work hard, taking down all these technical terms. Professor Kind is nearing the end of her lecture.

'Traditionally', she remarks, 'shall' is an imperative, signifying that something was required, and 'will' means simply that an event is to take place in the future. 'Shall' constitutes language of obligation: if we say that someone shall do something, the message we are conveying is that they are obliged to do it. However, for today's audiences, for the sake of simplicity, it is best to use 'will' to refer to future events, to use the present tense in all other clauses as much as possible, and try not to use 'shall' at all.' She smiles at her students, and they smile back.

'Now, on a vocabulary note. In corporate agreements, **assertions** or statements of fact are referred to as **representations and warranties**. It makes you wonder what the difference is between a representation and a warranty, doesn't it?' That gets some quizzical looks from the group. 'There are people who would say that **representations** refer to facts; that they are simple descriptions of the existing realities. A party may **represent**, for example, that they are owners of a property that is the subject matter of a contract. **Warranties** on the other hand are supposed to be rather promises or undertakings of the parties. Frankly, this distinction is hardly ever adhered to.'

The time is up, the lecture has come to an end. Professor Kind makes sure that the students forget nothing as they are filing out of the room, and then sits down at her desk in the now-empty classroom. She has an idea for an interesting drafting exercise for their next meeting.