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**INTERCULTURAL BUSINESS NEGOTIATIONS:
NEGOTIATION AND LINGUISTIC PROCEDURES**

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Doctor of Philosophy

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**Intercultural Business Negotiations:
Negotiation and Linguistic Procedures**

Summary

The aims of this study are two-fold. Firstly to propose a framework of procedures that can identify features of successful/unsuccessful intercultural business negotiation discourse. At the same time, by way of illustrating the framework, it also aims to better understand interaction between British and Singaporean businessmen, speakers of different varieties of English.

In all six procedures are identified; they are the negotiation, rhetorical, interactional, conversational, coherence and cohesion procedures. Of these procedures, the first three are focused on as they illustrate the point at which the negotiation and linguistic procedures intersect.

The fundamental perspective adopted in this study is the central place of context in understanding discourse. While the basic model of analysis is a speech act model, it is complemented by research on negotiation from communication studies. The research in this area provides useful insights into characterising the negotiations in terms of the participants' intentions, thus providing an extralinguistic context from which to understand the linguistic procedures.

The data are based on role-play negotiations between experienced British and Singaporean businessmen. Three sets of three negotiations were collected, each set comprising one British and one Singaporean intracultural negotiation and one intercultural negotiation. Participants also answered a post-game questionnaire in order to elicit their responses to the negotiation.

The analysis of the intracultural data reveals clear differences in the way intracultural dyads develop rhetorical structure. This results in varying degrees of asynchrony in the intercultural negotiations. However, of the three intercultural interactions, one was perceived negatively while the others were more favourably rated.

Key words:
Discourse analysis
Communication studies

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CHAPTER ONE

INTRODUCTION

Studies on intercultural¹ business negotiations have interested researchers in the field of marketing for many years. These have been complemented by studies in the field of communication studies. However, it is only in recent years that this rich and potentially useful area of research has been taken up by linguists. The initial studies, many influenced by the interactional sociolinguistic approaches developed by Gumperz (1982), indicate that there is much that linguistics can offer in terms of understanding the complexities of negotiating in an intercultural context.

While providing insightful observations into the topic, these intercultural studies have tended to centre on data with two common characteristics: first, unhappy or unsuccessful instances of talk, and second, features of discourse that cause the interactions to go awry. Furthermore, when the term "strategy" is employed, with reference to both the linguistic and bargaining varieties, little attempt is made to identify what they are and how they are related.

As far as participants are concerned, most studies involve native-speakers interacting with non-native speakers or non-native speakers from different cultural backgrounds communicating in a lingua franca. Little work has involved native speakers of different varieties of the same language who have different cultural backgrounds. Where such work exists, they are largely anecdotal studies in the popular literature based on cultural stereotypes of the "old" varieties of English such as the British, American and Australian.

¹ Intercultural studies, investigations of participants from different cultural backgrounds interacting with each other, are to be differentiated from cross-cultural studies, which are parallel studies of two or more intracultural interactions.

1.1 Aims of the Study

While recognising that many intercultural interactions can be difficult, it is also true that many interactions are successful. It is also true that negotiations with troublesome or unhappy moments of talk can be successful despite these difficulties. Thus, in addition to answering the question why some intercultural interactions do not work, this study also attempts to establish why and how successful interactions **do** work. The aims of this study then are two-fold: firstly, to propose a framework that can identify features of successful/unsuccessful discourse; and secondly, by way of illustrating the framework, to examine the intercultural negotiations between British and Singaporean businessmen.

In order to do this, the concept of context needs to be re-considered. A fundamental approach adopted by interactional sociolinguists and ethnomethodologists, for instance, tends to site talk in the situational context of the discourse jointly created by the interactants. While insightful, this concept of context needs to be extended to include the context of the negotiators' goals and how they intend to attain them. In other words, the role of participants' intentions is given greater consideration as well as **how** these intentions are realised. Accordingly, the central focus of this study is to identify the procedures or strategies involved in intercultural negotiations.

The framework of procedures to be developed is based on a 'top-down' and 'bottom-up' methodology recommended by Candlin's (1987) "explanatory approach" for understanding intercultural communication. The approach "seeks to demystify the hidden presuppositions and world-views against which meanings are co-constructed by participants" (ibid:25). It is 'top-down' in that it involves reference to 'higher-order predicates' such as the participants' goals, their beliefs and views concerning their interlocutors and the interaction, all set in a socio-cultural context. And it is 'bottom-up' in focusing on features of language such as the "pragmatic, discoursal, lexico-syntactic and phonological" (ibid:30-31).

With this in mind, the study aims to develop an analytical framework that examines the different linguistic procedures that occur in negotiation discourse. In addition to this, the study is also informed by research on negotiations from the field of communication

studies because it is able to provide a broader context, focusing as it does on the negotiators' goals and intentions as well as the dynamic development of the discourse. It is from this broader perspective that the linguistic procedures are examined.

Such an approach is necessary when researching intercultural communication. This is especially so when examining communication involving speakers of different varieties of a language, given the complex sociolinguistic realities of a "new" variety and the apparent similarities and subtle differences that exist between the new variety and the variety from which it has evolved. With an understanding of the broader context, the researcher is better able to understand the sources of misunderstanding; whether they originate from conflicting goals and intentions or differences in communication styles.

1.2 Scope and Limitations of the study

Although the framework to be presented proposes six procedures, only three are analysed and discussed focusing on the "higher" level transactional uses of language. These are the negotiation, the rhetorical and the interactional procedures. They are examined in detail because they illustrate the point at which the negotiation and linguistic procedures intersect. Furthermore, the remaining procedures, the cohesion, coherence and conversational strategies, are already extensively demonstrated in the existing research.

As far as the limitations of the study are concerned, the first concerns the lack of prosodic and non-verbal analysis of the data. This is especially disadvantageous given the pragmatic perspective that is being advanced. However, given the scope of the study, a close analysis of this nature was not possible. These aspects of the discourse are, to some degree, encoded in the analysis of the other features of the discourse, and will be discussed when relevant.

Further limitations are due to the small sample size (3 sets of negotiations, each set containing one Singaporean and one British intracultural negotiation and one British-Singaporean negotiation) necessitated by the qualitative linguistic analysis. Because the sample size was small, it was not possible to carry out statistical tests in section 4.1

dealing with the frequency and distribution of bargaining behaviours. Individual personality differences are also not accounted for as it would be difficult to make any useful generalisations given the small sample size.

The main limitation of this study must remain its reliance on role-play data. There are, however, several crucial reasons for the decision to use this type of data and they will be discussed more fully in Chapter Three.

1.3 Sociolinguistic Background of Singapore English

In order to provide some background information about the English language in Singapore, a profile of its status is provided as well as a brief account of Singapore English. Singapore's multi-ethnic composition, comprising Chinese (77.7%), Malays (14.1%), Indians (7.1%) and "others" (1.1%), is reflected in the variety of languages and dialects used in the country. Given the need for ethnic equality and harmony, there are four official languages: Malay (which is also the national language), Chinese (Mandarin), Tamil and English. In addition to these main languages, several other languages and dialects are spoken such as Hokkien, Teochew, Cantonese, Hakka, Hainanese, Foochow, Tamil, Telugu, Malayalam, Punjabi, Hindi and Bengali.

Relative to the other official languages, however, English has a unique sociolinguistic status in Singapore. Apart from it always having been the language of administration, law and commerce (a legacy of British colonisation), it is also the language of education as well as "a language for intra-ethnic and inter-ethnic communication [and] a language for the expression of national identity" (Richards & Tay, 1981: 48). As the language of education, it is the main medium of instruction in all schools and tertiary institutions. With the government's commitment to a bilingual education policy, however, students also study their "mother tongues" at either "first" or "second" language level.

The terms referred to above are largely misnomers in the Singaporean context and they further illustrate the polyglossic and multilingual character of Singapore (ibid:53). The designated "mother tongue" to be studied in school need not necessarily be the parental

language as can be seen in the example of a child of Hokkien-speaking parents whose "mother tongue" is classified as Mandarin because of his ethnic background. Similarly the "first" and the "second" languages are often not the language acquisition sequence of the individual, but labels used to designate the level at which the languages are learnt at school.

In order to reconcile these difficulties, Richards & Tay (ibid:55) propose that the term "native speaker" be modified as follows:

1. A "native speaker" of English is not identified only by virtue of his birthright. He need not be from the UK, USA, Australia, New Zealand, or one of the traditionally "native English-speaking" countries.
2. A "native speaker" of English who is not from one of the countries mentioned above is one who learns English in childhood *and* continues to use it as his dominant language *and* has reached a certain level of fluency in terms of grammatical well-formedness, speech-act rules, functional elaboration and code diversity. All three conditions are important.

Thus a typical profile of a native speaker of Singapore English is likely to be someone who has acquired one or more of the non-English languages or dialects as a child, and is introduced to English in school. English is then developed through formal education and constant use in working life, while the other dialects or languages tend to be used in more limited domains and to a more limited extent.

Given the varying sociolinguistic backgrounds and language learning abilities of speakers of Singapore English, it has been difficult to establish exactly what Singapore English is because of the many different forms that exist. A model that has been popular for some time is Platt & Weber's (1980) continuum ranging from an acrolectal "high" form to a basilectal "low" form. However, it has been increasingly criticised because the lects are not able to distinguish different forms adequately, "are difficult to identify in actual discourse and lack sociolinguistic and psychological reality" (Foley, 1988:13). An alternative view that is emerging is "that of a variety of English having an existence in its own right, with subvarieties and its own registers to be used according to the context of situation" (ibid:18).

1.4 Outline of the study

The following is an overview of the remaining chapters describing how the study is to be presented:

Chapter Two is a literature review of the main approaches to linguistics that inform the theoretical framework to be proposed. The first section evaluates traditional approaches to the analysis of discourse focusing particularly on speech act models and ethnomethodology. The next two sections review the linguistic and non-linguistic research (the latter mainly from the field of communication studies) on the negotiation process. The final section in the chapter examines the various conceptualisations of the terms "procedure" and "strategy". It concludes with a proposal for a framework of procedures that serves as a foundation for the methodology proposed in the following chapter.

Chapter Three opens with a discussion on the advantages and disadvantages of using role-play data. This is followed by a section describing the data collection methodology as well as providing brief profiles of the subjects. The final section presents the models of analysis used to examine the procedures.

Chapter Four contains the results and analysis of the data. The first section discusses the use of negotiation strategies, which also provides an extralinguistic context. Subsequent sections examine the rhetorical and interactional procedures. A final section provides a summary and discussion of the various procedures in relation to the negotiators' responses elicited from a post-game questionnaire.

Chapter Five, the final chapter, assesses the framework in terms of the results. It also draws conclusions about the findings, as well as makes suggestions for future research.

CHAPTER TWO

LITERATURE REVIEW

In recent years, the study of intercultural business negotiation has been the focus of several different disciplines interested in identifying the factors that either contribute or hinder the effective communication between peoples of different backgrounds. Each of these disciplines has some interesting insights to contribute, not only in terms of results that their research has shown, but also in terms of their frameworks and theoretical backgrounds as well as their methodologies.

This chapter will present an evaluation of the research useful for examining intercultural negotiation discourse. Section 2.1 is a broad review of work done in linguistics to identify the structures of discourse. In Section 2.2, the review looks more specifically at research on *negotiation* discourse. This will be followed by section 2.3, which also examines work on negotiation, but from non-linguistic perspectives. The final section, 2.4, reviews how the terms *procedure* and *strategy* are used and examines how they can be developed into a framework of analysis.

2.1 Linguistic approaches to the analysis of discourse

Brown & Yule (1983:1) postulate two terms to describe the major functions of language in use. They are the transactional and the interactional, which roughly parallel the ideational/interpersonal dichotomy put forward by Halliday (1970). When language is used transactionally, it is assumed that "what the speaker has in mind is the efficient transference of information. Language used in such a situation is primarily 'message-oriented'" (ibid:2). Interactional uses of language, however, are concerned with "the use of language to establish and maintain social relationships" (ibid:3).

It is the transactional uses of language that will be examined in section 2.1.1. The review focuses on the rank-scale models based on speech act theory and considers the advantages and disadvantages of such models. Subsequently, section 2.1.2 reviews research on the interactional uses of language and considers what they have to offer, concentrating mainly on the importance of context for a better understanding of discourse.

2.1.1 PATTERNS OF DISCOURSE

Much of the research on transactional uses of language (Labov, 1972; Sinclair and Coulthard, 1975; and Labov and Fanshel, 1977) has concentrated on understanding connected discourse, ie. the coherence of discourse, at the level of what is done rather than what is said. These models set out to answer questions that discourse analysts were seeking, for example, "how does one characterise and label the basic unit of interaction; how many different functions are there; how are these functions realised lexico-grammatically and what structures do these basic units combine to form?" (Coulthard 1985:9).

The basic approach used to answer these questions is a linguistic one that attempts to account for connected discourse. It is linguistic in that it sets up a rank-scale relationship between the units using an approach formerly applied only to sentence grammar. The aim is to establish sequential structures that exist in discourse with an emphasis on organisation.

However, this approach has been criticised by Levinson (1983) as being "fundamentally inappropriate to the subject matter, and thus irremediably inadequate" (ibid:289). Levinson believes that these models are based on assumptions that have inherent difficulties. One such assumption, he points out, is that "unit acts ... belong to a specifiable, delimited set" (ibid:289). This is a problem because utterances can and often do, perform more than one speech act. He illustrates his point with the following example (ibid:290):

- [1] A: Would you like another drink?
 B: Yes I would, thank you, but make it a small one

According to Levinson, A's utterance is both a 'question' and an 'offer' as indicated by B's response.

Tsui (1991) points out that Levinson's analysis is problematic because he uses inconsistent criteria to identify the act that is being performed.

"In saying *Yes I would*, is a response to a 'question', he seems to be using form as the criterion, but in saying *Would you like another drink?* is an 'offer', he seems to be using function as the criterion."

(ibid:231)

Tsui's position is that B could well respond with *Yes I would actually*, if an established close relationship is assumed, and it would still be understood that A had made an 'offer', rather than have just asked a 'question'. At the same time she questions that *Yes, I would* is necessarily a response to a 'question', and suggests that it could be "the linguistic realisation of a response to an 'offer'" (ibid:231).

A further point Tsui makes in her paper is that Levinson confuses the potential and actual functions of an utterance. She recognises as well-established that utterances can realise more than one illocutionary act. However, Tsui argues that the functions of such utterances are usually clarified by the context of situation. She presents an example from Schegloff (1978:85) to illustrate her point:

- [2] W: Why is it that WE have to go THERE.
 H: Because SHE (head motioning to daughter) can go out more easily than THEIR
 kid can.

(W is the wife, H the husband, and the 'she' mentioned their one-and-a-half year old daughter playing in the same room. The parents are discussing arrangements to visit another couple.)

Tsui highlights the fact that W's utterance is potentially both a 'question' and a 'complaint', but as can be seen from H's response, it has been understood as a 'question'. There is a distinction, Tsui maintains, between ambiguity and multifunctionality. Ambiguous utterances can have "the illocutionary force of act A *or* act B" (ibid:233, emphasis in original), and the speaker's intention is unclear. Multifunctional utterances have the "illocutionary force of both act A *and* B" (ibid) and the speaker's intention includes both. Tsui concludes that "most so-called 'ambiguities' are merely theoretical

constructs". She adds, quoting Schegloff, that utterances "do not appear to be in practice confounded in ambiguity" (Schegloff, 1978:87).

Tsui provides convincing arguments in handling the criticisms Levinson raises against speech act models of discourse analysis. However, while the distinction she makes between ambiguity and multifunctionality are clearly essential, she tends to minimise the fact that utterances often are ambiguous. It is for this reason, the lack of regard for the indirection existing in talk, that Franck (1981) has reservations about speech act models. She points out that the concern of these models to map speech acts onto utterances, and their lack of consideration for the social situation make static something that is infinitely dynamic and strategic. Thus they fail as models of "*interaction*" (ibid:229, emphasis in original).

The reluctance of speech act models to deal with the social context can be seen in Sinclair's position. Sinclair favours the point of view which expects "the text to supply everything necessary for its own interpretation; what we need is not an external knowledge base but a better understanding of text structure. If we do not rely on the text to indicate its own interpretation, then we invoke mysterious processes for which it is difficult to find evidence" (1992:82). In his argument, Sinclair distinguishes between "the context of discourse" and "the situation", contending that the latter is relied on too much and the former is not considered enough.

The first difficulty with Sinclair's position is that it does not make clear what these two terms specifically refer to. Using Dascal & Weizman's terminology (see section 2.1.2), "the context of discourse" is likely to be equivalent to the metalinguistic context and "the situation" probably refers to the specific and/or shallow extralinguistic context. If this is the case, then the second difficulty lies in Sinclair's inattention to the socio-cultural background of the speakers, which is a significant aspect to consider in intercultural discourse.

Sinclair uses the example of "Can you swim a length?" as being easily disambiguated as a command "[i]f the teacher and pupil are poolside and the pupil suitably dressed, if swimming is not a proscribed activity at the time, and *if other conditions favour it ...*"

(1992:81, emphasis added). However, if the hearer is, say, an immigrant child from a very different socio-psychological and cultural background, it would be a moot point as to whether that child would have a similar understanding as the teacher of the "conditions" that favour the interpretation of the utterance as a command. Perhaps these are the "mysterious processes" to which Sinclair refers. However, just because they are mysterious, which presumably means difficult to identify and elucidate, does not argue for their being discounted.

It would appear that Sinclair's main objection to too broad an understanding of context is the belief they are "too sociologically dependent for the linguistic realities to be thoroughly observed and described" (1992:81). This reservation is a valid one and needs to be kept in the foreground when building viable frameworks to understand and explain intercultural communication.

Generally speaking, speech act models do provide a useful point from which to begin to understand discourse because they provide a framework for working with something that is fluid and hard to pin down. At the same time, the open and negotiable aspects of discourse should not be ignored. A speech act model that attempts to take account of these aspects of discourse is Edmondson's (1981) model of spoken discourse. Although it still retains some of the weaknesses inherent in models of this type, it also tries to incorporate the interactive element missing in similar approaches.

Edmondson's model attempts to make the interactive element an integral part of the system. The illocutionary act is redefined as communicating "a speaker's beliefs, feelings, attitudes, or opinions with respect to a specific event or state of affairs" (ibid:137), and it is contrasted with the interactional act. Interactional acts are concerned with "sequential relevance" and "give coherence to a conversation, and this is reflected in the textual cohesion of the substance of the conversation - ie what is said" (ibid:80). Together, illocutionary and interactional acts form "communicative acts". At the interactional Exchange level, the three notions of uptake, the sequentially relevant reply and reciprocation provide the links necessary for turn-taking (ibid:84).

In addition, Edmondson specifically attempts to incorporate into his model the strategic use of language. These are not categorised as acts but are accounted for as supportive moves. Grounders are used when a speaker anticipates that his hearer will ask the former for reasons, for example in performing a request, and provides reasons before they are asked for. Another strategy is the Disarmer which is used by speaker to "deny a potential offence before it is committed" and which "forces the hearer into non-co-operative, face-losing behaviour if he nonetheless attempts to claim that the offence is a real one" (ibid:127). This consideration of the strategic use of language does take into account a broader concept of context. However, the socio-cultural context needs to be extended significantly in order to better understand negotiation discourse.

2.1.2 CONTEXTS OF LANGUAGE USE

From the above section, it can be concluded that one of the main weaknesses of speech act models of discourse is the limited role they give to context. Apart from helping to disambiguate meaning, contexts also provide the important social function of allowing speakers and hearers to cooperatively construct reality (Duranti, 1985:193). While studies on the structural aspects of discourse provide useful insights, Duranti emphasises the importance of maintaining "a link between discourse form and social conduct, between language and other symbolic systems, between Chomsky's ideal speaker-hearer and the actual members of a speech community" (ibid:197).

Before considering how this link can be made, it is necessary to clarify the terms and definitions associated with the concept of "context". Traditionally, a distinction has been drawn between the "co-text" and the "context-of-utterance" with the former referring vaguely to the linguistic environment of the utterance, and the latter, equally vaguely, to all the remaining non-linguistic factors that affect the interpretation of the utterance. Recognising the inadequacy of these terms, Dascal & Weizman (1987) introduce the terms "metalinguistic context" and "extralinguistic context", roughly parallel in meaning to the traditional "co-text" and "context-of-utterance", but more clearly explicated.

According to Dascal & Weizman (1987), both the metalinguistic and extralinguistic contexts have three different levels operating: the specific, the shallow and the

background. The metalinguistic context incorporates "knowledge of linguistic structures and conventions" and at the specific level it includes the linguistic features of, for example, the idiolect or literary form. At the shallow level it is exemplified by the features associated with a particular register; and at the background level, it is "general knowledge about the functioning of verbal communication ... the knowledge required for the ... comprehension and ... use of a specific language" (ibid:39). Presumably it would include factors such as silences, the preceding and following utterances which Dascal identifies as being part of the metalinguistic context (1981:156).

There is a similar delineation of levels with the extralinguistic context. At the specific level, the knowledge referred to "has to do with the addressee's acquaintance with specific situational features related to the text" (Dascal & Weizman, 1987:37). They are selective features, specific to the circumstances, which are implicitly present and possibly relevant. The example given is knowledge about a person's dietary preferences with reference to a conversation about that person's lunch. Information at the shallow level incorporates the knowledge concerning "conventional features of (for example) a restaurant situation ... what is variously called in the literature 'frames', 'scripts' or 'schemata'" (ibid:38). Finally, Dascal and Weizman identify the background level as incorporating "general knowledge of the world" such as the knowledge that people exist and that they eat and so on (ibid:38).

While the metalinguistic contexts are adequately considered in the approaches reviewed in the earlier section, the extralinguistic contexts, especially the shallow level, tend not to be. This weakness is acknowledged by some researchers. For example, in the field of speech acts, Connor-Linton (1991) emphasises the necessity for contextual information in his account of the theory. He believes that an important factor missing in speech act theory is the concept of the success of the speech act in relation to the perlocutionary effect. The only means by which this can be incorporated, he suggests, is if context is taken into account.

One conclusion he draws that is particularly interesting is that "a greater awareness of the affective relationship holding between the contextual variables and the constructive options of the speech act should be of significant value to a speaker interested in more

effective, more intersubjective communication." This is especially the case in intercultural communication because speakers "cannot rely confidently on their intuitive, culture-specific judgements and strategies" (ibid:110-111).

Similarly in the area of maxims, Blakemore (1988) points out that interpreting an utterance involves more than decoding a sentence. More specifically, it is only when sentence meaning is perceived in conjunction with contextual information, inferencing rules and communication principles that utterances can be interpreted meaningfully (ibid:237). Although Blakemore seems to favour a psychologically-based theory for the coherent interpretation of language, she also acknowledges that "hearers must use nonlinguistic or contextual assumptions in order to construct their model of the state of affairs/events described" (ibid:233).

Context is therefore an integral part of any comprehensive theory of language use. The ethnographic approaches to language bring in a much more complex and broad understanding of context. The features that Jakobson (1960) and Hymes (1972) identify include the speech event, the participants, the channel of communication, the codes, the setting, and the speech community. Some of these features can be further analysed: the participants in a conversation, for example, bring with them a complex of beliefs, intentions and needs, as well as their own assumptions of the others' beliefs, intentions, needs etc. (Dascal 1981:155). Similarly, the speech community can be further dissected to reveal different networks and groups (Milroy 1987). There is also the prior relationship that has been established between participants. From a broader perspective, there are demographic features such as ethnic affiliation, sex, and socio-economic status, educational level and so on, which can also be considered as part of context.

The ethnographic approaches also understand context to be an inherent part of discourse. Schiffrin (1988) presents two arguments to support this view. First is the idea that context is part of the continuing discourse that is built up by the participants as they converse. A particular example can be seen in Gumperz's (1982) use of contextualisation cues which serve to provide an interpretative context for participants to understand speakers' intentions in what is said. The cues are repertoires of both verbal and non-

verbal devices that are culturally defined. This view has obvious potential in explaining intercultural discourse strategies.

The second argument Schiffrin advances is that socio-cultural knowledge *is* part of the interpretative context and is "pivotal in differentiating appropriate from inappropriate sequences" (1988:262). The example she uses to illustrate her point is a comparison between a conversational routine used in ordering a cup of coffee at a kiosk [3] with a similar routine in buying a Corvette [4]:

- [3] Customer: You have coffee to go?
 Server: Cream and sugar?
 Customer: Yes please.
 Server: That'll be 50 cents.
 Customer: (pays 50 cents)
- [4] Customer: You have 1986 Corvettes?
 Server: Convertibles?
 Customer: Yes please.
 Server: That'll be 30 thousand dollars.
 Customer: (pays 30 thousand dollars)

(Schiffrin, 1988:262-3)

Schiffrin points out that [4] is recognised as being inappropriate from an expansion of the underlying meaning of the interaction, which is informed by socio-cultural knowledge. Thus it is socio-cultural knowledge that "allows us to discover reasons for the underlying well-formedness of conversation" (ibid:263).

While the socio-anthropological approach gives a more prominent role to the socio-cultural context, it tends to give it a secondary role in accounting for the interpretation for what is said. Lavandera (1988) underlines the differences between an interpersonal or interactional context as compared to a social context. She goes on to say that conversation analysis, along with pragmatics and discourse analysis, typically gives priority to the former.

This is endorsed by Schiffrin who says that "it is *only if* interactants themselves are seen to orient to contextual categories as diverse as cultural, gender, or social class identity, institutional setting, or another's interactional goal, that such categories warrant inclusion in an ethnomethodological account of the construction of talk" (1988:267, emphasis added). So although socio-cultural context is seen to be an integral part of the structure

of talk, the focus is typically on the interactional relationship holding between the participants.

There are, however, socio-anthropological approaches that give more prominence to social context. For example the work of Gumperz (1977,1984) and Hymes (1974), along with psychologists, Rumelhart (1975) and Abelson (1975,1976), and linguists, Chafe (1977a,b) and Fillmore (1975,1976), explore the area of what are variously referred to as *frames*, *schemata*, and *scripts*. Although each of these disciplines and terms holds differing perspectives, the underlying notion for all of them is similar, which is that "based on one's experience of the world in a given culture (or combination of cultures), one organises knowledge about the world and uses this knowledge to predict interpretations and relationships regarding new information, events, and experiences" (Tannen, 1979:138,139).

Gumperz (1984) provides a clear explication of the link needed between discourse form and social conduct referred to earlier. His position is that while conversation analysis provides valuable information about conversational structure, this goes only part of the way in supplying an understanding of the conversational *process*. He believes that it is also essential that the "actual processes of conversational inference" be looked at in detail, "that is, the *situated interpretations* that participants make of each other's moves at any one point in time" (Gumperz, 1984:282, emphasis added).

Gumperz further points out that "conversing involves more than context-free principles of sequentiality" but that it "depends on largely indirect inferential processes which draw on knowledge of the world to make sense of what is said" (ibid:287). This knowledge is schematic and includes not only "ways of organising factual information in terms of basic conceptual structures" but also "assumptions about norms, interpersonal relationships, and interactive or communicative goals" (ibid:288).

In concluding his paper, Gumperz notes that from the position outlined above, "schemata come to take on forms that bear great similarity to the ethnographer of communication's speech events" (ibid:288). Unsurprisingly, Duranti (1985) comes to a similar conclusion. In order to provide "a way of integrating linguistic, textual, and further sociocultural

knowledge" (ibid:198) - "the link between discourse form and social conduct" (ibid:197) referred to earlier - Duranti suggests using Hymes (1972) speech event model.

To propose a framework of linguistic procedures and strategies in intercultural business negotiation discourse that provides these links, an adequate knowledge of the business negotiation speech event is therefore crucial. The next two sections of this review, 2.2 and 2.3, examine the research that has been carried out in linguistic and non-linguistic disciplines respectively.

2.2 Linguistic studies of business negotiation discourse

Although negotiation discourse has been a topic of interest for the speech communication community since the early 1970s, it is only in recent years that linguists have shown a growing interest in this area of research. It is also interesting to note, possibly as a consequence of a latterly developed interest, that although communication studies have attempted to incorporate linguistic theories in their research, speech communication research has had little influence on linguistic studies of business negotiation. Most of the linguistic studies have used discourse and conversation analysis in their research on negotiation discourse.

One of the few exceptions is Lampi's (1986) study on describing the linguistic components of strategy in business negotiation. The approach Lampi adopts is basically discourse and conversation analytic focusing on different "levels of discoursality" (Lampi, 1986:55) ranging from the different phases in a negotiation through to exchanges, moves and acts. It is at the level of the act that Lampi incorporates a model of bargaining behaviours proposed by speech communication researchers. According to Lampi, there are two types of acts. One type of act is the "surface" or "discourse" markers whose function is "to sequence and organise interaction" (ibid:87). Examples are "frames" such as 'well', 'OK', 'good' and "preface acts" such as terms of address, mitigators, and self-referential metastatements (ibid:102-107).

The other type of act is the "topic-oriented act". According to Lampi, this type of act is defined as "an act which is produced during interaction in order to further topic development" (ibid:107) and, in terms of Edmondson's (1981) model, is the head act of a move. Lampi believes that "(a) categorisation of topic-oriented acts for a description of negotiation strategy should be such as to facilitate strategic analysis as distinct from conversational analysis" (ibid:108). For this reason, she proposes that a modified version of the Bargaining Process Analysis (BPA) II by Putnam & Jones (1982a) be used for the analysis of acts. The BPA is supplemented by "acts identified in analyses of casual conversation, mainly those from Burton (1981)" (ibid:108). This modified version of the BPA II is presented in Table 1. The BPA II itself is discussed in greater detail in section 2.3.1

While Lampi recognises the need for more "topic-oriented" acts and makes a significant contribution in introducing the BPA II, the modifications she proposes are problematic in several different areas. Firstly, some of the acts in the modified version appear to be inaccurately categorised. For example, it is curious that the "Prompt", and "Acknowledge" acts have been incorporated into the BPA as Substantive behaviours since they bear a closer resemblance to interactional aspects of conversation. Following Lampi's own categorisation of types of acts, "Prompt" and "Acknowledge" are discourse markers, a separate category from the "topic-oriented" acts (ibid:101).

There are similar problems with the "Response" category, which also seems to be dealing with conversation behaviour at the interactional level. In terms of Edmondson's model, "Response" behaviour is more appropriately dealt with at the level of exchange. For example, if a negotiator chooses not to respond directly to a 'Proffer' with a 'Satisfy', possible responses are a 'Contra' or 'Counter'. In any case, it seems idiosyncratic to categorise these "Prompt", "Acknowledge" and "Response" acts as being substantive behaviours, related as the latter are to the **negotiation** process

Secondly, and equally troublesome, is Lampi's recasting of the BPA II's procedural behaviour to include a "Directive" act. With reference to this behaviour, Lampi states:

Putnam & Jones (1982a) themselves make special reference to structural metastatements, which are statements about the order in which issues are to be dealt with in the negotiation. In the present study, structural metastatements are, however, taken to be discourse markers.

The only type of act which would therefore fall under procedural behaviour would be directives.

The problem seems to arise from confusion over the use of the term "metastatement". Putnam & Jones use it to refer to "head" acts (Sinclair & Coulthard, 1975; Edmondson, 1981) which direct and control bargaining talk, while Lampi uses it to refer to "pre-head" acts such as discourse markers.

This difference of usage is recognised by Lampi, thus it is difficult to understand why a reconciliation of the two types of metastatements is attempted. In attempting to reconcile the two, it is implied that "commands or polite requests", Lampi's characterisation of "directives", are a type of discourse marker. From an example of a "Directive" Lampi provides, "drop me a telex" (ibid: 121), it can be seen that "Directives" are in fact a type of task behaviour, which have to do with the discussion of issues, rather than procedural behaviour that focus more on methods of organising bargaining behaviours.

Finally, on a less significant point, are the number of BPA II acts that have been modified unnecessarily and without justification. For example, Lampi sub-categorises two BPA II task behaviours, "Provide reaction" and "Clarification". The former has been re-classified as "Agree" and "Disagree", and the latter as "Query" and "Clarification". Apart from making the model unnecessarily cumbersome, Lampi's proposed categories actually obscure one of the advantages of the BPA, which is its facility to trace overall strategic behaviour. Since it is the grosser behaviours that are of interest, it seems self-defeating to provide the fine categories.

At the same time, two BPA II behaviours, "Initiation" and "Request information", have been unhelpfully broadened in concept. The former, originally defined as providing initial offers and advancing new proposals, has been replaced with "Suggest". In addition to its original definition, this act is defined as behaviour that enhances "problem solving" or has "conflict resolving potential" (ibid: 109), qualities which appear to be closer to the original BPA II's procedural behaviour. As for "Request information", this was originally represented as requests for data and specific information about the other party's position, but has been revised to "Elicit information". According to Lampi, this is the same as Sinclair & Coulthard's "Elicitation", which is "an initiating question of which the function

TABLE 1: Lampi's Modified BPA

Substantive behaviour

*Suggest:	statement/question about what might be done by either negotiator to enhance problem solving or conflict resolving potential
Accommodation:	statement conceding a point or retracting a proposal in the face of resistance
Retraction:	statement retracting previously made suggestion or accommodation or modifying a previously stated position
Accept:	statement/vocalization/gesture/silence indicating that opponent's suggestion/offer/retraction/position is accepted
Reject:	statement/vocalization/gesture/silence indicating that opponent's suggestion/offer/retraction/position is rejected
*Prompt:	closed class of items to reinforce a preceding directive or elicitation.
*Acknowledge:	items eg. 'yes', 'uhuh'; expressive particles eg. 'oh', 'ah'; vocalizations, nonverbal gestures to show that other's preceding move has been understood.
*Response:	stalling behaviour, where a suggest is followed by a response, and the appropriate reply, either an accept or a reject, comes later.

Strategic behaviour

Commitment:	statement with which speaker takes a firm, non-negotiable position, or indicates that a position will not be changed under any circumstances
Threat:	statement with which speaker withholds potential reward/sanction if opponent does not comply; or statement of negative consequences of a course of action
Promise:	statement with which speaker informs the opponent of positive consequences of a course of action, or rewards opponent if he complies
Demand:	statement by which speaker calls on opponent to make accommodation or to demonstrate willingness to negotiate

Persuasive behaviour

Self-support:	statement in which speaker explains own position or justifies arguments in favour of his position
Other-support:	statement which indicates that bargainer understands other's position or presents arguments in favour of other's position
Attack:	statement by which speaker presents arguments against other's adopted position, proposal, or self-supporting behaviour

Task behaviour

*Elicit information:	same category as Sinclair & Coulthard's "elicitation"
Inform:	statement that supplies information or reiterates a previously stated position
*Elicit reaction:	question/statement to which appropriate response is "agree" or "disagree"
*Agree:	a statement, vocalization or gesture that provides a reaction to the opponent's reaction elicitation
*Disagree:	same as "agree"
*Query:	a statement with which the speaker challenges the other's preceding statement with the purpose of eliciting more information, a clarification or specification
*Clarification:	the appropriate response to a query

Affective behaviour

Positive affect:	expressions of solidarity, approval or satisfaction with opponent or situation
Negative affect:	expressions of irritation, tension, disapproval or dissatisfaction with the opponent or situation

Procedural behaviour

*Directives:	Commands or polite requests, which are used to get the interactant to carry out an action what will, when completed, further the aim of the negotiation situation; eg. instructions for sending samples, telex-messages etc.
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* modified/supplemented by Lampi

(Lampi, 1986:109-122)

is to gain a verbal response". By generalising these acts, Lampi seems to contradict the original objective of establishing "topic-oriented" acts.

Apart from these problems related to the modifications to the BPA II, there is an underlying difficulty with Lampi's rather limited conceptualisation of the term 'strategy'. The general usage and understanding of the term is extremely varied and complex as a cursory review of the business and linguistic research literature reveals. The complexity is compounded when negotiation strategies are examined from a linguistic point of view. Given that negotiation strategies are realised by some form of linguistic strategy, it seems essential that this relationship be sorted out. While these issues are recognised in the conclusion of her study (ibid:203), Lampi fails to come to grips with the problem and simply adopts the definitions used in negotiation literature (ibid:33-37). This seems inadequate especially since her study was specifically interested in looking at the linguistic components of negotiation strategy. This might account for some of problems already discussed.

From an altogether different perspective, Bülow-Møller (1992) postulates an integration of a discourse analytic approach with input from non-linguistic research. This approach also has a focus on topic. Bülow-Møller's basic approach is Labov & Fanshel's (1977) model, which she proposes be used through vertical and horizontal dimensions. Using a modified version of Labov & Fanshel's hierarchy of acts, Bülow-Møller develops the vertical dimension of her model by focusing on the multiple layers of meanings a speaker can intend in focusing on a recurring topic. This hierarchy is further developed at the horizontal dimension in terms of negotiation phases. At this dimension, Bülow-Møller compares how a particular act in the hierarchy is realised differently in different phases reflecting the development of the negotiation over time. Bülow-Møller's model provides a coherent, yet flexible, description of negotiation discourse. However, it needs considerable modification in order for it to track strategic behaviour.

Julian (1990) also recommends a more central role for topic analysis in linguistic approaches to business negotiations. Basing the analysis on simulated role-play data, Julian compares the number of mentions of a particular topic, as well as their linguistic realisations, between two negotiations with very different outcomes. Julian arrives at this

method of analysis after concluding that coding systems, such as the BPA, are too concerned with determining speaker intention without trying to establish the actual effect of an utterance and what causes that effect (Julian, 1990:162-3). Furthermore, Julian also raises the often-cited weakness of such speech act systems as imposing artificial divisions and culture specific interpretations on the discourse. These are valid criticisms and are discussed in section 2.1. While it is recognised that Julian's methodology reveals interesting phenomena, the model is limited to the analysis of intracultural negotiations for which it was proposed.

The other linguistic approaches to negotiation discourse are less eclectic in nature and tend to focus on ethnomethodological and conversation analytic (CA) approaches. For example, Firth (1990) investigates authentic telephone negotiations between negotiators from different cultural backgrounds using English as a *lingua franca*. The analysis shows how the negotiators interdependently establish meaning and use this shared meaning as a basis for further talk (*ibid*:274). In a different vein, Fant (1990) uses CA to investigate simulated intercultural negotiations between Spanish and Swedish businessmen. Conversational patterns, such as floor-holding and back-channelling, are outlined and compared in order to understand the different communicative styles used by the two cultures. A similar approach is used by Lim (1990), who compares the distribution of talk in an intercultural negotiation between British and Singaporean businessmen.

CA provides insightful explanatory models to account for *how* features of discourse come about. However, it lacks the descriptive power of speech act models. Although it provides analysts with an informative means of understanding how meaning is constructed in negotiation discourse, it has limited application in identifying strategic uses of language in intercultural negotiation discourse. At the same time, it has already been seen that speech act type models also have their limitations. Given these limitations, but also recognising the insights that both discourse analysis and conversation analysis provide, a framework for the analysis of negotiation discourse should capitalise on the strengths of these models.

2.3 Non-linguistic approaches to communication in business negotiation

Negotiation is an extremely complex phenomenon which has been the focus of study of several different disciplines. In order to get an insight into the topic, this section will begin with a very brief review of business-oriented studies of negotiations to define concepts that will be useful for the rest of the review. This will be followed by a section that reviews the work done by communication studies researchers in negotiation. These researchers have had a longer association with the topic of negotiation than applied linguists and consequently have established frameworks from which to investigate communication in business negotiation.

Two large areas of interest in negotiation are the game theoretic and the socio-psychological approaches. The focus of game theory research is on determining the best strategies to use in a given conflict situation from a mathematical/economic viewpoint. However, the socio-psychological studies are interested in how various factors, such as negotiators' level of commitment, the degree to which particular issues are emphasised, the effect of introducing a mediator, the effect of group versus individual negotiations, the effect of pre-negotiation experience, influence the tangible outcomes of negotiations. Both these approaches give little consideration to the role of social interaction in the negotiation process, a shortcoming that is significant because communication "leads bargainers to understand one another's expectations, to submit to each other's influences, and to collaborate on joint settlements" (Putnam & Jones 1982b:264)

Given the interests of these approaches, their relevance is limited for this study. However the social-psychological approaches do provide a broader dimension to negotiation discourse since they are more aware of communication in the negotiation process, albeit in a limited way. Their contribution to this particular study lies in their elucidation of a complex subject. For example, Morley & Stephenson provide a useful definition of negotiation which specifies the characteristics of negotiation as being "*talk which is a joint decision-making process, involving mixed motives and requiring some degree of strategic decision making*" (1977:23,24, emphasis in original).

More specifically, they elaborate that negotiation as talk involves "talking about a relationship before doing anything about it" (ibid:24). This could range from straightforward exchanging of bids to a full-blown discussion. As for negotiation being a joint decision-making process, Morley & Stephenson recognise the conjoined and coordinated nature of the negotiation process that involves "conflict-relevant information". At times this information need not necessarily be made explicit. However, when it is explicit, "the negotiation must be concerned with the form of the joint action to be taken" (ibid:23).

This last point is related to the next characteristic - the fact that negotiators, more often than not, will have conflicting ideas of the joint action to be taken. Morley & Stephenson quote Nemeth (1972:210) as saying that each party has "a motive for cooperation in order to reach a mutually agreeable solution and, simultaneously, a motive for competition in order to gain at the other's expense". The final characteristic identified by Morley & Stephenson recognises that, because of these conflicting interests, "effective 'ploys' must be selected and pursued, subject ... to moderation from the motives dictating a degree of co-operation between the contestants" (Morley & Stephenson, 1977:24).

It should be noted here that this characterisation of negotiation clearly highlights the objective of this study, which is to examine how negotiators employ different linguistic procedures in order to achieve their objectives. This involves not only identifying when and how the "effective 'ploys'" are used, but also to establish whether these 'ploys' are encoded differently in intercultural discourse. This is the competitive aspect. The cooperative aspect emerges, from a pragmatic perspective, when the competitive elements need to be communicated in such a way as to meet the various face needs of all parties involved. The aim here is also to verify whether these needs are differently or similarly presented.

These competitive and cooperative characteristics noted in negotiation were first systematised by Walton & McKersie (1965) who use the terms distributive and integrative respectively. Distributive bargaining, according to Walton & McKersie, "is a hypothetical construct referring to the complex system of activities instrumental to the attainment of one party's goals when they are in basic conflict with those of the other party" (ibid:4).

In contrast, integrative bargaining involves objectives "which are *not* in fundamental conflict with those of the other party and which therefore can be integrated to some degree" (ibid:5, emphasis in original).

In other words, distributive bargaining focuses on maximising the negotiator's own gains while minimising losses, while integrative bargaining aims to maximise joint gains. Some researchers subsequently used these terms to label negotiations as being either one or the other in character, however it is now largely recognised that most negotiations involve both distributive and integrative goals. In fact, this was the manner in which Walton & McKersie had originally conceptualised the terms. It is their belief that "the negotiator in this admittedly complex context behaves purposefully, attending in some balanced way to conflicting goals, integrative potential, (and) desired relationship patterns ..." (ibid:353).

Before reviewing the speech communication research, a brief definition of the term 'strategy' will be considered as it is used in the negotiation literature. McCall & Warrington (1984) describe "influence strategies" as "verbal exchanges" which negotiators use to "shape the outcomes of their interaction" (ibid:20). Putnam & Jones (1982b) define strategy as a "programme or series of bargaining tactics", and tactics as "the communicative behaviours that operationalise strategies" (ibid:270). Subsequently, this latter definition was reformulated such that strategies refer "to a broad plan that encompasses a series of moves while tactics are the specific messages that operationalise the strategies" (Putnam & Poole, 1987:567).

From a non-linguistic point of view, these definitions are adequate in the sense that they characterise strategies as requiring verbal communication, also a sense of conscious forethought and perhaps an element of manoeuvre from the use of "shape" and "plan". There is also an obvious distinction made between the plan and its implementation. The problem arises at this point since McCall & Warrington's definition of strategy appears to be equivalent to Putnam & Poole's definition of tactic. Part of the difficulty lies, especially from a linguistic point of view, in the use of terms such as "exchange", "communicative behaviours" and "moves". These concepts will need clarification at a later point, but for now, the general connotations will suffice.

In contrast to the game theoretic and socio-psychological approaches, speech communication studies have focussed their research on negotiation on the role of communication. Unlike the linguistic studies, this interest in negotiation has existed for some time and a substantial body of work has been built up. This review will only deal with a very small section of work that is relevant to the objectives of this study. Roloff & Putnam (1992) suggest that one way research in this area can be usefully categorised is according to *key components* which classify research according to the ingredients of communication. According to Putnam & Roloff, this approach emphasises "the role of communication in understanding or making sense of negotiation as a complex social phenomenon or constituting negotiation rather than reflecting it as an objective experience" (ibid:9).

The four perspectives they develop under this approach (which they credit to Fisher (1978)) are the mechanistic, the psychological, the system-interactive, and the interpretive-symbolic. The first two are not directly relevant to this study: the mechanistic studies, for example, deal with how information is communicated differently in face-to-face, written, and electronic channels. Research that falls under the psychological category investigates how verbal and non-verbal communication is affected by individuals' personal attributes or motivation (Putnam & Roloff, 1992:10).

However, the studies classified as being systems-interactional and interpretive-symbolic have much to offer. Systems-interactional research focuses on "the sequence, the development, or the recurring patterns" of the negotiation process encoded either verbally or non-verbally. The interpretive-symbolic approach includes research that is interested in the way meanings are "created, maintained, or modified through bargaining interaction". These studies investigate "language, conversational structures, or symbols as indices of meanings" as constructed by the negotiators from "their situational or cultural context" (ibid:10).

From the very brief characterisations of systems-interactional and interpretive-symbolic approaches, they appear to be similar in approach to work in discourse analysis, pragmatics and conversation analysis. Indeed, there are a very limited number of speech communication researchers who have attempted to analyse negotiations using applied

linguistic approaches. However, the speech communication research also has a very different theoretical orientation. Work from both areas of study are reviewed below.

2.3.1 SYSTEMS-INTERACTIONAL APPROACHES

A significant area of research in the systems-interactional approach is in formulating a coding system of communication tactics. The purpose of the coding system is to get a clear perspective of the overall development of strategies used in determining the outcome of the negotiation. The three main systems are the Cue-Response Coding System (CRCS) by Donohue (1981), further refined by Donohue, Diez & Hamilton (1984); the Bargaining Process Analysis (BPA) by Walcott & Hopmann (1975), subsequently modified by Putnam & Jones (1982a); and the Conference Process Analysis (CPA) by Morley & Stephenson (1977).

The CPA will be briefly summarised because it is one of the more central models in communication studies, and also because it provides an insight into the orientations of research into coding systems. However, its relevance to this study is limited and it will largely be dismissed. The CPA is made up of three dimensions - mode, resource and referent - and each "act", defined as "points of information" (ibid:200), is coded in terms of these dimensions.

The mode dimension deals with "how information is exchanged" (ibid:200) in the interaction and the categories are *Offer*, *Accept*, *Reject* and *Seek*. The resource dimension "indicates the function of the information" (ibid:201) and includes categories such as *Procedure*, *Settlement Point*, *Limits*, *Positive Consequences*, *Negative Consequences*, *Positive Acknowledgement*, *Negative Acknowledgement*. Finally the referent dimension deals with "who is being (explicitly) talked about" (ibid:201) and this includes codes ranging from *No Referent* to codes for the speaker, the person/s present representing either the speaker's or opponent's organisations, the speaker's own or the opposing organisation.

While this work has provided a basis for subsequent work in coding systems, its relevance is limited. It is clear that the first dimension of mode tries to account for the structural

organisation of the discourse, and from the point of view of discourse analysis and its related disciplines, is rather limited. The second dimension is also limited in its categories of bargaining behaviour, as will be illustrated when the other coding systems are reviewed. Finally the last dimension is useful in labour-management negotiations which tend to have several individuals representing the various parties, but is not of much significance to single party sales negotiations.

In comparison to the CPA, the CRCS set up by Donohue (1981) and Donohue et al (1984) is much more aware of negotiation as discourse and places emphasis on it as an interactional process. Thus Donohue believes that a basic criteria for a coding system is that it recognises the negotiation event as "a relational activity such that the outcome is dependent upon how each utterance is sequenced in relation to its preceding utterance" (Donohue, 1981:274). The other criteria Donohue sets for the development of his system is that it "should be capable of determining the changing patterns of relative advantage throughout the negotiation" (ibid:277).

Like Morley & Stephenson, Donohue (1981) proposes three levels of analysis which he refers to as "digits". The first digit, which is wisely omitted in the later model, comprises an inadequate mixture of structural-functional categories: *Talk-Overs*, which are interruptive verbal interventions; *Questions*, interrogative utterances and requests for information; *Assertions*, declarative or imperative utterances which give critical procedural information; and *Noncompletes*, which are incomplete utterances.

The second digit has two categories *Response* and *Cue*. Not only do these account for the interactional character of negotiation discourse, they also have a strategic element to them. In *Responding*, negotiators are perceived as reacting not only interactionally, but also strategically to maintain their position vis-a-vis the opponents' position. "Failure to (respond decisively) will leave the opponent unchallenged and be interpreted as a sign that the respondent has downgraded his expected outcomes". Similarly in *Cueing*, the negotiators are seen to be strategically aiming to "gain control and maintain an offensive posture" which they achieve by "constrain(ing) the next utterance presented by the opponent" (ibid:274).

The final digit organises negotiation tactics into three broad categories: *attacking*, *defending*, and *integrating*, (originally *regressing* in the 1984 model). *Attacking* tactics either upgrade or maintain the speaker's positions in relation to its expected outcome, with the overall purpose of being on the offensive as far as possible. *Defensive* tactics are used to steady a potentially weak position and to attempt to make it impenetrable to further attack. Generally, this would involve dismissing the opponent's modified proposals, building up one's position without the use of attacking or challenging moves, and obtaining some response from the opponent on the speaker's modified proposals (ibid:276, 277).

Donohue et al's reconceptualisation of *regressing* into *integrating* tactics was necessary because of the original study's emphasis on distributive negotiations and the highly distributive element that was built into the role-play negotiations. Subsequently, it was recognised that in fact most negotiations have distributive as well as integrative elements to them and this resulted in the "concessioning" behaviour being included in the model. Apart from concessions in the offers made, research (Putnam & Jones 1982b, Pruitt, 1981) shows that behaviours signalling flexibility could communicate cooperation (Donohue et al, 1984:408). This aspect of bargaining behaviour is also incorporated into the revised model. The various categories of behaviour and their definitions of Donohue et al's CRCS can be seen in Table 2.

The main attraction of the CRCS is its dedication to the strategic development of the negotiation. But this is also the source of its weakness. In making strategy the main focus of the model, the more subtle development of strategies is lost. This weakness can be seen in Donohue et al's criticism of Putnam & Jones' BPA II, which they feel is limited because it makes it "difficult to identify the underlying strategic goal of the tactic" (ibid:406). Donohue et al recognise that "it is clearly reasonable that (a) tactic could have two kinds of strategic value" but eventually conclude that "(i)t is probably more desirable to design a category scheme that conceptualises each tactic a priori as having offensive, defensive, or integrative strategic value" (ibid:406). This provides for an unrealistically neat model.

From Donohue et al's viewpoint, the need for a clear-cut coding system is perhaps necessary in order that the coding can be processed statistically to discover successful patterns of behaviour or more specifically to "test the extent to which relative tactical use could be used to determine winners and losers in the negotiation" (Donohue, 1981:273). At the same time however, disregarding the multifunctional nature of tactics could limit the quality of the findings.

In reality a tactic could have two kinds of value which could allow for the possibility that it could be exploited by an opponent strategically choosing one interpretation over another. The problem of multifunctional tactics arises because speech acts are multifunctional, a characteristic of language use that has been recognised in linguistic research on speech act models (and discussed in section 2.1). Donohue et al's solution imposes an unrealistically rigid framework on what, as acknowledged by them, is open to interpretation. Undoubtedly, omitting this aspect of tactical choice is a shortcoming that cannot be ignored.

A further weakness of the CRCS is that in looking for patterns of strategy use, it implies that all *responses* be **either** decisive **or** weak, and all *cues* to be **either** controlling **or** controlled. While the *response-cue* structure is important in recognising the linking and linked nature of discourse, as conceived by this system, it conveys an unnecessarily polarised interpretation of negotiation discourse. Furthermore, as pointed out by Putnam & Jones, it is not a realistic depiction of negotiation discourse because "winning and losing are judgement calls" (1982a:176). Although Donohue et al attempt to remedy this short-coming by incorporating *integrating* tactics into their model, the problem lies with the dichotomous categorisation at the *response-cue* level.

The final coding system to be reviewed is Walcott & Hopmann's (1975) Bargaining Process Analysis (BPA). Walcott & Hopmann's focus, unlike Donohue et al, is not simply tracking strategic patterns, but has the broader objective of designing an instrument that will be "suitable for both the coding of verbal interaction and the content analysis of transcripts" (ibid:1). It is this latter function of the BPA that is of interest to this study as the analysis of content, essential in coding negotiation strategies, is lacking in linguistic models of discourse analysis.

TABLE 2: Donohue et al's CRCS

Response Tactics		Cue Tactics	
<u>Attacking</u>		<u>Attacking</u>	
Deny fault with personal rejection	Challenging, disagreeing, or rejecting the immediately preceding utterance accompanied with a rationale and personal affront.	Assert proposal	Asking the other to accept specific modification in the proposal under discussion
Topic change	Introduction of a new idea changing the direction to the interaction.	Change (sic) fault/ responsibility	Attributing lack of good faith, incompetence, negligence; derogating something about the other.
Assert rights/needs	Statement that addresses requirements/ expectations consistent with prior subject area, clearly arguing for compliance.	Decision	Positive structuring of the procedures for discussion
<u>Defending</u>		<u>Defending</u>	
Reject proposal	Challenging, disagreeing or rejecting any part of the other's proposal	Substantiation	Providing information or evidence supporting the speaker's own position.
Reject rationale/ utterance	Challenging, disagreeing or rejecting the immediately preceding utterance that is not related to the proposal per se.	Clarification	Asking for additional information.
Extension	Extending or continuing the topic in the immediately preceding utterance.	Deny relevance	Reject suggested structuring of the procedures suggested and/or assert the relevance of the issue/information raised by the other.
<u>Integrating</u>		<u>Integrating</u>	
Proposal other support	Giving agreement, assistance, acceptance or approval to any part of the other's offer or proposal.	Offer concession	An offer that is less than the speaker's immediately prior offer.
Rationale/utterance other support	Giving agreement, assistance, acceptance or approval to the immediately preceding utterance that is not related to the proposal, per se.	Information concession	Offering less information than is requested.
Extension question	An extension of the prior utterance's topic phrased in the interrogative form.	Conciliation/flexibility	Proposing flexibility in the speaker's position.
Et cetera	Any response not conforming to these category types.	Et cetera	Any cue not conforming to these category specifications.

The BPA classifies negotiation behaviour into five main dimensions: *substantive*, *strategic*, *task*, *affective* and *procedural*. These categories have been retained by Putnam & Jones (1982a), who have also made significant improvements to the BPA. In addition to the five broad categories, they have included a further category of *persuasive* behaviours. Furthermore, they have expanded and re-classified some of the detailed behaviours under the six broad dimensions. The BPA II's six dimensions, their various sub-categories and their definitions can be seen in Table 3.

The BPA II has several advantages over Donohue et al's model. Firstly, it provides for the possibility of behaviours other than the tactics outlined in the CRCS. In particular, they are the positive and negative *affective* behaviours, and also most of the *strategic* behaviours namely 'commitment', 'threat', and 'promise'. Furthermore, their broad categorisation of dimensions according to negotiation behaviour does not require the polar value judgements required by Donohue et al's system. At the same time, strategic behaviour is also clearly discernible.

However, it should be pointed out that having a separate dimension of strategic behaviours does not imply that other behaviours cannot be used strategically. According to Putnam & Jones, "(w)hile some tactics explicitly communicate bargaining strategy, ... others convey intentions and perceptions while facilitating the bargaining process" (1982b:270). In other words, although some behaviours, eg. extreme opening bids, indicate a competitive, possibly offensive strategy, it is done so implicitly. How it is dealt with, ie. whether implicitly or overtly, says something about the speaker's position. "In effect, they function as meta-messages about the bargaining process" (ibid:270).

A further advantage of the BPA II, as developed by Putnam & Jones (1982b), is its specification of bargaining behaviours according to whether they are *integrative* or *distributive* strategies. These concepts were largely developed in the seminal work by Walton & McKersie (1965) and are used to refer to the "subprocesses" of the bargaining activity. Integrative bargaining "functions to find common or complementary interests" while distributive bargaining functions "to resolve pure conflicts of interest" (ibid:4). Applying a factor analysis and other statistical applications, Putnam & Jones (1982a)

TABLE 3: Putnam & Jones' BPA II

Substantive behaviour: facilitate negotiation process

- Initiation: provide initial offers and advance new proposals
Acceptance: accept opponent's proposal, retraction, position
Rejection: reject opponent's proposal, retraction, position
Accommodation: concede point to other or retract proposal in face of resistance
Retraction: retract previously made initiation or accommodation; modifies previously stated position to make it less agreeable

Strategic behaviour: influence expectation/action of opponent

- Commitment: take firm position; indicate non-negotiable position
Threat: withholding potential reward or sanction if opponent doesn't comply; negative consequence
Promise: offer reward or sanction if other complies in stated manner; positive consequence
Demand: call on opponent to make accommodation or to demonstrate willingness to negotiate

Persuasive behaviour: function as argument and evidence in support of claims made

Self-support: arguments in favour of/justifying own position:

- Statistical:* provide numerical/quantitative support
Example: give example of idea/proposal; demonstrate working in past
Analogy: five comparison between on situation and dissimilar other event
Causal: suggest causes/reasons for an event; indicate proposed action will cause adverse consequences

Other-support: arguments that support opponent's position; indicate bargainer understands other's position
same sub-categories as Self-support

Attacking: present arguments attacking other's substantive position
same sub-categories as Self-support

Task behaviour: promote business-like discussion of issues

- Request information: request data, ask for specific info on other's position
Provide information: supply info, reiterate previously stated position
Request reaction: request response from other about position presented
Provide reaction: provide reaction to other's proposal; make statement that aggressor disagrees with other's proposal
Clarification: offer question of clarity; accept/reject clarification
Exploratory problem-solving: search for mutually beneficial outcomes; promote exploration of alternatives; profess cooperative intentions

Affective behaviour: linked to expression of feelings about other and bargaining situation

- Positive affect: attempt to relieve tension; create feelings of solidarity; express approval/satisfaction with other or situation
Negative affect: become irritable; show tension; criticize other by attacking other's character/status; express disapproval/ dissatisfaction with other or situation

Procedural behaviour: move discussion along by focusing on bargaining procedures or on methods for organizing bargaining interaction

(Putnam & Jones, 1982a:180)

categorised the BPA II bargaining behaviours according to these strategies. This categorisation of behaviours is central to the development of negotiation strategies.

Apart from these coding systems, another approach in the systems-interaction perspective is research on phase models of negotiation. A *phase* here is defined as a "coherent period of interaction, characterised by a dominant constellation of communicative acts" (Holmes, 1992:83). Like the coding systems, they provide an insight into how behaviour changes over time as the negotiation proceeds, however the perspective they afford is much broader. Holmes provides a thorough review of both prescriptive and descriptive phase models covering a variety of types of negotiations. For the purposes of this review, only two descriptive models will be presented.

In reviewing the various phase models, Holmes concludes that there are three main types of phases that are common to them all. They are the initiation, problem-solving and resolution phases. In the initial phase, as well as the early part of problem-solving, negotiation is concentrated on establishing and defining the incompatible goals and is basically distributive in nature. The next two phases are concerned with resolving the tension between the incompatible goals and the interdependent nature of the process. Specifically, the problem-solving phase involves discussion of issues, exchange of information, and bartering. The resolution phase consists of formulating agreements, attending to details and the final agreements of the deal (ibid:86,87).

Holmes attributes the basic three-phase model and most of the other phase models he reviews to Douglas' (1962) work on industrial negotiations. According to Douglas' model, in Phase 1, termed *Negotiating the Range*, negotiators' speech tends to be "like lengthy public oratory", with "dogmatic pronouncements", "vehement demands and counter demands" but few interruptions. At the interpersonal level, however, "there may be warmth and good will" (Holmes, 1992:88). In Phase 2, *Reconnoitring the Range*, negotiating behaviour tends to involve a search for areas of agreement entailing "extensive interpersonal interaction, tactical manoeuvres, and jockeying for position" yielding ground with reluctance only when there are "clear signs of tacit agreement"

(ibid:88). Phase 3, *Precipitating the Decision-Making Crisis*, the negotiation is brought to a close with the final manoeuvres to narrow the options.

While Douglas' model is invaluable in understanding the broad structure of negotiation talk, the specifics are not directly applicable to sales negotiations. This is also largely true for the other models Holmes reviews, which are based on labour and hostage negotiations. If a phase model is to be useful, there need to be clear and specific points of transition between one phase and the next. At the same time, the short-comings of imposing a static framework on a dynamic entity should also be recognised. Gulliver's (1979) model, which is based on anthropological studies of legal contexts of negotiation, is more relevant to business negotiation discourse. Gulliver's specification of the final resolution phase is particularly clear. He characterises the behaviour in this phase as being distinguished by concessions being made when negotiators meet on points of agreement.

Since the models reviewed by Holmes do not provide specific characteristics of the transition from initiation to the problem-solving phase, a prescriptive model by Kennedy, Benson & McMillan (1987) will be considered. Although the model is a prescriptive one put together for the purposes of training, it is based on extensive experience and thorough research. In fact, Kennedy, Benson & McMillan (1987) propose a three phase model¹ of *Argue*, *Propose*, and *Bargain* which is very similar in characterisation to the descriptive models. However, it is their definition of the Propose phase which is immediately relevant to this study. The Propose phase, equivalent to Holmes' problem-solving phase, occurs when the arguments of the Argue (or problem-solving) phase are replaced by propositions. This last concept is defined as "an offer or claim which ... establishes for the first time an opening position" (ibid:77).

¹ This is actually a four-phase model, but because it is prescriptive in nature, the first phase, Prepare, has been omitted.

2.3.2 INTERPRETIVE-SYMBOLIC APPROACHES

In contrast to the systems-interactional approaches which focus on the overall development of patterns of behaviour in negotiation, the interpretive-symbolic approaches are more "micro-analytic" (Holmes, 1992:85). The research in this approach is more varied in terms of both the levels of analysis and the theoretical orientations chosen. For example, there are studies that concentrate on specific bargaining behaviour such as making offers, making threats and promises, and gaining compliance. Other studies examine the conversational structure of negotiation discourse, while others have investigated the role of face in negotiations.

The first study in the interpretive-symbolic approach to be reviewed is by Neu (1988), using conversation analysis to explain bargaining behaviours. She believes that the coding systems used to analyse content are limited because firstly, they sometimes require multiple coding and secondly, do not always account for all the behaviours present. To overcome these limitations, Neu proposes that the functional categories of content analysis be expanded by conversation analysis because "conversational structure is a rich domain capable of revealing both interactional features such as participants' status, role and solidarity, and individual characteristics such as hesitance, uncertainty, and aggressiveness" (ibid:26). The negotiation discourse can then be coded using these categories, which in turn are submitted to a factor analysis of five factors "to achieve clarity in differences between variables" (ibid:37). These factors are subsequently interpreted. While Neu's underlying aim is to identify both structural and functional categories, an aim shared by this study, there are several weaknesses in her methodology.

Firstly, the classification of the different behaviours into the structural and functional categories is problematic as can be seen in Table 4. Even assuming that "structure" is used more broadly than in linguistics, it is unusual to describe prosodic features such as volume and rate of speech as "structural". And although the structural organisation of laughter is an established area of investigation, (eg. Jefferson, 1979), it is difficult to understand its categorisation as a "structural variable". Admittedly little is known about the function of laughter as a conversational strategy. However, it is clear that it does

serve some function (Suprpto, 1985:39,40). Similarly, "acknowledgement", even as defined by Neu as an "indication that the listener has heard what the speaker has said", clearly has a function. It is therefore curious that both laughter and "acknowledgement" are categorised as structural features.

TABLE 4: Neu's Independent Variables

Structural Variables	
1) Substantive self-repair	speaker initiates a correction of something s/he has said by changing it
2) Non-substantive self-repair	speaker initiates a correction of something s/he has said by repeating portions of words, whole words or phrases
3) Filled pause	utterance that fills an other wise silent period
4) Overlap	speakers speak at the same time but where one had been speaking alone prior to the other(s) beginning their talk
5) Echo	repetition of a word or phrase by another speaker; may indicate feedback or serve to question
6) Acknowledgement	indication that the listener has heard what the speaker has said
7) Loudness (soft)	decreased voice volume
8) Loudness (loud)	increased voice volume
9) Rate of speech (slow)	for an individual speaker, a slower-than-average rate of speech
10) Laughter	laughter occurring during periods of no talk
Functional Variables	
11) Request for information	request for the listener to provide information
12) Information in response	information provided by speaker B in response to a statement/question by speaker A
13) Recommendation	a suggestion
14) Commitment	obligation one undertakes to perform certain behaviours
15) Self-disclosure	information given by the speaker about him/ herself that was not specifically requested by the other speaker
16) Concession	yielding to the other speaker
17) Hedge (approximator)	mitigator that affects the propositional content of the utterance, but not the speaker's commitment to it; eg. "sort of", "about"
18) Hedge (shield)	mitigator that affects the speaker's commitment to an utterance; eg. "I think", "I guess"
19) Exclusive "we"	use of the pronoun "we" to indicate the speaker and another party not present in the interaction
20) Inclusive "we"	use of the pronoun "we" to indicate the speaker and the other(s) present in the interaction
21) Positive response	speaker B responding favourably to said (sic) by speaker A
22) Conditional	statements that either state or imply conditions to acceptance (notably containing "if" clauses)

(Neu, 1988:34)

The categories labelled as functional variables are equally problematic. Both the "hedge" categories, defined as mitigators such as "sort of" and "about" (approximators) and "I guess" and "I think" (shield), deal with functions at a completely different level from the preceding categories (Neu, 1988:11-16). The same applies to both the "we" categories.

Since these four categories largely involve specific grammatical particles, it is highly likely that they would form part of the linguistic realisations of the other functional categories which would result in multiple coding. Multiple codings are also likely to occur with the other functional categories, not arising from the possibly equivocal nature of speech acts, but because of the ill-conceived nature of the functional categories. For example, "information in response", would overlap with almost all the other functional categories except for "self-disclosure".

As far as the factor analysis is concerned, although it is interesting that the scores are significant, Neu's interpretations of some of the factors appear a little contrived as can be seen in Table 5. For example, in interpreting the first factor, "Information", Neu states that the "functional variables *self-disclosure* and *exclusive "we"* ... serve to give information about the speakers and the organisations they represent" and that "*substantive self-repair*, *nonsubstantive self-repair*, and *filled pause* may serve to hold the floor for speakers when they experience some difficulty (as evidenced by both kinds of *self-repair*) in encoding a message" (ibid:37). At first glance, this seems to correspond with the literature (Wilson, 1992:193) which describes negotiators as preferring to avoid disclosure on their own part while imposing obligations on their opponents to provide information. This implies that negotiators are unlikely to provide strategic information about their positions unless it is specifically asked for.

TABLE 5: Neu's Interpretation of the Five Factorial Structure

<i>Factor 1</i> Information	<i>Factor 2</i> Interaction	<i>Factor 3</i> Metatalk	<i>Factor 4</i> Concession	<i>Factor 5</i> Agreement
self-disclosure (.6069)	request for information (.4098)	recommendation (.5869)	concession (.6299)	commitment (.3728)
exclusive "we" (.6171)	soft (.3654)	shield (.4459)	slow (.5444)	overlap (.4132)
substantive self- repair (.4192)	acknowledgement (.6168)	inclusive "we" (.6307)	loud (.4694)	positive response (.5423)
nonsubstantive self-repair (.5554)	echo (.4263)			
filled pause (.6390)				

(Neu, 1988:39)

However, the data as presented by Neu's factor analysis and her interpretation is confusing and it is unclear whether or not this characteristic of negotiation is being described. If it is assumed that information exchange is strategically managed, then it would be expected that Factor 1 include the functional variable "request for information". Instead, this appears in Factor 2, Interaction. On the other hand, if it is assumed that it is non-strategic information being offered, for example by a seller informing his opponent about his product/services etc., then the question arises as to why "the sharing of such information may be difficult, causing speakers to self-repair and to "hem and haw" (the filled pauses)" (Neu, 1988: 37). Similar difficulties occur with the interpretation of the other factors.

These problems could arise from the weaknesses already discussed concerning the classification of the variables. Neu's list of behaviours is also rather limited and oversimplified when compared to the coding systems already reviewed. However, the most serious problem with Neu's approach is her inadequately conceived translation of the qualitative methodology of conversation analysis into a quantitative approach. For example, in studying laughter, conversation analysis is interested in its on-set time, how it is mirrored by others, how it is invited, how it is declined. In Neu's study, the only aspect of laughter she identifies is its presence or absence. The other "structural" elements she introduces are similarly handled.

This is a significant weakness of her approach and needs to be highlighted to researchers in communication studies who acknowledge her work as being "important because it considers the effects of specific language variables on negotiation processes and outcomes" (Gibbons, Bradac & Busch, 1992:158). Having said this, Neu's approach is an interesting one and can be improved with greater care being given to the setting up of the various categories to be used. Furthermore, a qualitative analysis of the data would be able to confirm or disprove the factors established by the factor analysis.

Other research in the interpretive-symbolic approach investigates the concept of face in negotiations. Given the tension between cooperation and competition inherent in negotiations, it is unsurprising that the study of face and facework comprises part of the

studies in the interpretive-symbolic approaches. Wilson (1992) suggests that research on face work in negotiation falls into two broad approaches. They are the social-psychological and the discourse-interactional approaches. It is the latter approaches that are more relevant for two reasons. Firstly, they focus "on detailed linguistic features and sequences of facework", and secondly, interaction in negotiation is perceived as "interesting in its own right rather than as an indicator of underlying face concerns" (Wilson, 1992:188,189).

Unfortunately, several of the studies Wilson mentions are either conference papers or unpublished theses and are not easily accessible for review. Consequently, the review of these studies has to rely on Wilson's representation. From Wilson's critique it would appear that the focus of most of the studies is on how negotiators exercise control over their opponents, either explicitly or implicitly, and how this affects face. For example, Donohue (1983) investigates how negotiators spend time at the beginning of their interaction negotiating, not just about the issues at hand, but about conversational rights and obligations. Wilson highlights the point that negotiators wish to "expand their own conversational rights (eg. to control topics) while imposing obligations on opponents (eg. to disclose information) but they must do this while maintaining a level of cooperativeness (1992:193).

Donohue & Diez (1983) identify three types of "information exchange structure": "unexpanded sequences", specified as question-answer-acknowledgement; "chaining sequences", specified as question-answer-question; and "arching sequences", specified as question-question-question/ answer. They further link the use of these structures to the degree of control the interactants have over the topics and disclosures. For example, the questioner in a chaining sequence has control over conversational rights. The study also examines how different realisations of acts affect the success of their use. The relationship between structure and control suggested by this study provides an interesting avenue of research, however without the original it is difficult to assess the reliability of the linguistic framework.

It can be seen from this review that communication studies has much to offer in terms of alternative models to investigating the role of communication in negotiation. The coding systems and phase structures that have been developed provide useful insights into negotiation discourse. Furthermore, they have close parallels to similar work in linguistics. For instance, the negotiation behaviours identified by the coding systems are similar to speech act categories. Also, the phase structures identified by the systems- interactional studies are recognised in speech act models like Edmondson's (1981). Although Edmondson allows for three major phases in an encounter (Ave, Business and Vale), he also adds that it is "intuitively clear that the Business Phase of a conversation may contain more than one Business Exchange" (ibid:190).

2.4 Towards an analysis of intercultural business negotiations

From the review so far, it can be seen that there are several areas in which the various approaches to business negotiation discourse can complement each other. For example, traditional speech act approaches establish insightful patterns of negotiation discourse, but the very exercise of pattern identification also makes static a dynamic and interactive process. These elements of language use are however revealed by conversation analysis. Unfortunately though, both these approaches tend not to take adequate account of the specific metalinguistic and extralinguistic contexts of language use. It is proposed that these various approaches can be usefully consolidated into one framework using the concept of *procedure* or *strategy*².

Before a framework can be proposed however, it will be necessary to explore a few key concepts. First to be reviewed are the terms *procedure* and *strategy* themselves, which are variously and widely used to refer to a number of notions. The way these terms are conceived and used are considered in section 2.4.1. This is followed by section 2.4.2

² Both terms are used, sometimes interchangeably, but Faerch & Kasper (1984:223n) point out that in cognitive psychology, *procedure* is the more general term, while *strategy* is more specific. In order not to further confuse the issue, Faerch & Kasper's usage will be followed in this study, unless discussing other authors' work, in which case their terminology will be used. Negotiation strategies will be referred to as such.

which examines the concepts of goal and intention, both intrinsic elements of procedures. Finally, a framework of procedures and strategies is proposed in section 2.4.3.

2.4.1 CONCEPTIONS OF PROCEDURES AND STRATEGIES

Since Edmondson's (1981) speech act model has already been discussed, the review begins with his use of the term strategy. Edmondson draws a distinction between conversational strategies, ie. what conversationalists do, and conversational rules, ie. what conversationalists 'know'. The latter he characterises as language users' communicative competence, "a theoretical construct, and may be described in sets of rules or conventions". The former, what conversationalists do, he identifies as their social competence, which he defines as reflecting "the use which an individual puts his communicative competence in his conversational behaviour to achieve goals without endangering face" (ibid:7).

More particularly, Edmondson defines conversational strategies as "the manipulation of interactional structure in conversational behaviour, in the interests of achieving conversational goals". He further points out that it is in the use of conversational strategies that the creative aspects of language use are found. Several different types of strategies are identified by Edmondson in his model. For example, there are Pre-exchanges (ibid:116ff) which speakers use to establish if the correct conditions hold for their conversational goal to be met. They are used, for instance, in 'pre-invites' like "Are you free this Friday?". Another type of strategy Edmondson identifies is the Supportive move (ibid:122ff) which acts to support the head act of the move it occurs with. An example is a 'disarmer' such as "I'm really sorry to bother you right now ..." before the head act is introduced.

The distinction Edmondson makes between the notions of knowing and doing is also highlighted in the work of Widdowson (1979) and is further found in the work of Faerch and Kasper (1984). In Widdowson's (1979) paper, he uses the term 'rule' to refer to users' knowledge and the term 'procedure' to refer to what is employed in realising the "communicative import of language in use" (ibid:63). Widdowson describes two

categories of rules: rules of usage, referring to the user's linguistic competence, his knowledge of the formal systems of his language; and rules of use, referring to the user's conventional knowledge such as his knowledge of speech acts. In contrast to these 'rules' are 'procedures'. Cohesion procedures relate to rules of usage and realise propositional development while coherence procedures relate to rules of use and develop illocutionary connection.

Since Widdowson's procedures are similar in broad definition to Edmondson's strategies in that they examine the translation of knowledge into action, they will be considered in greater detail. By cohesion procedures, Widdowson refers to the way in which users use their knowledge of rules to "synthesise meaning in discourse" (1979:67). For instance, this kind of procedure prompts the correct value for a pronoun when more than one is grammatically possible as a referential link. Complementing cohesion procedures are coherence procedures which translate particular propositions into communicative acts and relate the different acts in "linear and hierarchical arrangements" (ibid:67,68). An example, is the recognition that a particular utterance is an invitation rather than an order as disambiguated by the context.

Widdowson's approach is taken up by Faerch and Kasper who use the terms 'declarative knowledge' to refer to 'knowledge that', and 'procedural knowledge' to refer to 'knowledge how'. The former deals with the more static aspects of users' knowledge of rules and elements of language and are not related to specific communicative goals. Faerch and Kasper specify the components of declarative knowledge as being linguistic knowledge, speech act knowledge, discourse knowledge, socio-cultural knowledge, context knowledge, and knowledge of the world.

Complementing declarative knowledge is 'procedural knowledge' which is more process-oriented. The first stage of the process involves the selection and combination of different elements of declarative knowledge in order to achieve communicative goals in terms of actional, propositional and modal content. The second stage aims to realise in linguistic form the abstract goals specified in the first stage. Finally comes the monitoring stage in which the speaker compares the effect of the linguistic realisation with intention.

As an example, the summary will focus on the procedural knowledge required in making an apology, the act used by Faerch & Kasper to illustrate their model. By combining speech act and context knowledge, it is first established that, given the constitutive conditions of the situation, the actional goal is an apology. The modal goal is established by combining pragmatic, socio-cultural and context knowledge and prescribes, for example, that a great amount of remedial work is necessary. Finally, the propositional goal is identified in the act itself, in this case, that is the offence was the speaker accidentally smashing the hearer's favourite vase. The verbal planning stage then converts these abstract goals using speech act, discourse and linguistic knowledge. The following is taken from Faerch & Kasper (1984:221,222):

- [5]
- | | | |
|----|--|--|
| a. | External pre-modification by means of: | |
| | - an appeal | Aunt Betty |
| | - a topic introducer | there's something I have to tell you |
| | - a 'forewarn' | I know you'll be terribly upset but |
| b. | Statement of the offence in impersonal terms | the Chinese vase has fallen down |
| c. | Apology in conventionalised form with internal modification, aggravating the illocutionary force | I'm awfully sorry |
| d. | External post-modification by means of: | |
| | - an explanation | I slipped when I carried it into the kitchen |
| | - a promise of compensation | but I'll get you a new one ... |

Faerch & Kasper's approach has a similarity to the more cognitive concepts of strategy. For example, Levy's (1979) definition of communicative strategy as being "the mental process whereby the speaker realises a particular communicative goal as a linguistic expression" is very similar to Faerch & Kasper's. His interests focus on the process-oriented nature of providing a link between "goals and expressions (or metaphorically, between discourse and syntax)" (ibid:197). A further similarity to Faerch & Kasper can be seen in the tripartite nature Levy adopts for his definition of goal. However the terminology and the conceptualisation he uses is different.

Levy uses the notion of the planning metaphor, a means of perceiving language production as a planning process, to explain the relationship between communicative goals and strategies. Simply put, the speaker starts off with certain ideas in mind. Corresponding to these ideas are a set of communicative goals. The speaker then selects

from his linguistic resources in such a way as to satisfy the ideas identified in the communicative goals. Furthermore, he specifies that these goals can be broken down into one or more subgoals (ibid:200).

Levy's model proposes three types of communicative goals which he labels ideational, textual, and interpersonal after Halliday's (1970) three functions of language. Ideational goals are concerned with the ideas or propositions the speaker has in mind. Textual goals deal with the coherent expression of these ideas. And interpersonal goals are concerned with the speaker's relationship with the hearer in terms of status and attitude (Levy, 1979:197). In these terms, Levy defines a communicative strategy as being the "mental process whereby the speaker realises a particular communicative goal as a linguistic expression" (ibid:197).

According to Levy (1979:200), the planning metaphor can apply at two levels:

"Macrolevel planning includes deciding which 'chunks' of the discourse to say when, and how they are to be organised. This corresponds to the notion of discourse structure. Microlevel planning includes the choices to be made in deciding how to order the constituents of a sentence, corresponding to such notions as focus, theme, given-new, etc."

An example of macro-level planning can be seen in a student's response to Levy's request for her to specify and explain her university course schedule. The strategy she uses to organise her response is to list the courses, specify the times of the courses and give some justification for her choices (ibid:187). At the micro-level, an example can be seen in how the speaker uses a listing strategy to specify the times of the different courses in her university schedule: "And like it's nine, ten, eleven" (ibid:200).

Another approach that has a similar mental orientation is Zammuner's (1987). She proposes that a general understanding of strategy is that of "the cognitive representation of the optimal manner to reach a certain goal". With specific reference to linguistic production, she hypothesises that strategies are employed at different 'hierarchical planning levels'. At the long-term planning level, strategies realise the speaker's goals by defining aspects of language that deal with the global speech act, the general discourse content and the textual structure in relation to the situational context.

These three aspects seem to be very similar to the goals defined by Faerch & Kasper and Levy, although the emphasis for each of the conceptualisations is slightly different. In addition, Zammuner emphasises that "(a) very important aspect of strategic choice is its (necessary) relationship with the assessment of relevant features of the situational context for the production of the (linguistic) action" (emphasis added, 1987:258). In this, her model has greater similarity to Faerch & Kasper than Levy.

Zammuner postulates that a different type of strategy, termed a 'cognitive manoeuvre', functions at the short-term planning level, and guides the linear organisation and structure of discourse. She hypothesises that cognitive manoeuvres operate between a Message Base, which incorporates the propositional knowledge and beliefs that speaker wishes to express, and a Text Base, "representing the Message Base already 'staged' for presentation from which the discourse itself is formed (Zammuner, 1987:259). Monitoring of the context in terms of the speaker's higher and lower level goals is an integral component of the model.

To gain a clearer insight of the specific levels Zammuner's model deals with, the strategies she calls cognitive manoeuvres are, for example, 'give a premise', 'enlarge/elaborate', 'go toward greater specificity', 'repeat/rephrase' and so on. Examples of the context she identifies in analysing discourse are variables such as the participants' acquaintance with each other, the formality of the situation, and the amount of knowledge that is assumed to be shared.

The next approach to be reviewed regarding the use of the term strategy is Brown & Levinson's (1978, 1987) politeness theory. According to Brown & Levinson, linguistic strategies can be derived as "*means* satisfying communicative and face-oriented *ends*, in a formal system of rational 'practical reasoning'" (Brown & Levinson, 1987:58). This definition appears to be very similar to other approaches, such as Widdowson's and Faerch & Kasper's, which perceive a strategy in terms of a process towards a goal.

However, the emphasis in Brown & Levinson's definition is not so much on communicative ends but on the face-oriented ends. One of two assumptions they

establish for their Model Person (MP), an idealised language user, is that he has specific face-wants - "the want to be unimpeded and the want to be approved of in certain respects". A second assumption, more commonly shared with the other approaches, is that the MP is a rational being with a "precisely definable mode of reasoning from ends to the means that will achieve those ends" (ibid:58).

Brown & Levinson propose that there is a hierarchy of strategies. At the highest level are four 'super strategies', the first termed *bald on record* occurring when the speaker (S) performs an act that has one "unambiguously attributable intention". In contrast is the *off record* strategy describing S's use of "more than one unambiguously attributable intention". The intent of S is unclear, leaving the meaning open to negotiation. *Positive politeness* describes the strategy when S performs a potentially face-threatening act (FTA) but minimises it by indicating to the hearer (H) that H's positive self-image is, to an extent, also of concern to S. The final strategy at this level, *negative politeness*, is concerned with H's want to be unimpeded, thus the strategy S uses has to convey that he recognises and respects H's self-determination with appropriately redressive FTAs (ibid:68-70).

All of the strategies, except the first, are realised by 'higher-order strategies'. For example, in order to achieve positive politeness, the strategies available to S would be to *claim 'common ground'*, to *convey that S and H are cooperators*, or to *fulfil H's want*. At the lowest end of the hierarchy are the 'output strategies' which are the linguistic realisations of the highest goals. Examples of these where S wishes to *claim 'common ground'* are for S to 'seek agreement', to 'avoid disagreement', to 'presuppose/raise/assert common ground' or to 'joke'.

In terms of the hierarchy, these are the lowest level realisations that Brown & Levinson deal with. They recognise that linguistic realisations also involve strategic choice in the ordering and organisation of expressions of politeness, for instance, but they comment that "the processes involved here have to do with topicalisation and focus, and we shall have relatively little to say about this ..." (ibid:93)

The next approach to be reviewed is Gumperz's (1982) work in interactional sociolinguistics and is somewhat different from the linguistic and cognitive approaches examined so far. Although *Discourse Strategy* is the title of his book and a section in the book³, Gumperz does not actually define the term. However, it is clear that central to his framework is the concept of contextualisation cues, linguistic cues "signalling contextual presuppositions" (ibid:131). It can be concluded that discourse strategies are the process by which participants in a conversation infer each others' intentions by interpreting these contextualisation cues. Examples of such cues are switches in code, dialect or style, prosodic phenomena and formulaic expressions (ibid:131).

Gumperz also refers to interactive strategies, which he defines as "the constraints that govern participants' strategies vis-à-vis each other". These strategies are postulated to be necessary in accounting for "the human ability to contextualise interpretation" (ibid:35). Interactive strategies appear to reflect the central belief underlying conversation analysis approaches that speakers and hearers jointly create and interpret discourse. The realisation of these strategies can be seen in the area of conversational management such as turn-taking, use of back-channel devices, silences, etc.

Finally, this review considers how Putnam & Jones (1982a, 1982b) use the term strategy. In a section of their paper reviewing the role of communication in bargaining, they provide the following definitions:

"Communication in bargaining frequently uses information as a means of persuading one's opponent. These message strategies are usually manifested in the game plan of a negotiator. An intention represents the aim of this plan (for example, cooperation and competition), while a strategy (eg. persuasion, coercion, problem-solving) constitutes the program or series of bargaining tactics. Tactics (for example, threats, promises, commitments) are communicative behaviours that operationalize strategies."

(Putnam & Jones, 1982b:270)

At the same time, in another paper discussing reciprocity in negotiations, they provide another definitions of the term:

"The type of message strategies that negotiators use also impacts upon bargaining subprocesses. Integrative strategies are cooperative tactics that lead to problem solving communication while distributive strategies promote individual winning through the use of offensive and defensive maneuvers."

Putnam & Jones, 1982a:172-173)

³ In fact, in the first few introductory pages (p3-6), he also uses terms such as *verbal strategies*, *communicative strategies*, and *conversational strategies* interchangeably.

There appears to be some confusion as to how the term is to be used. The latter definition appears to refer more to how negotiators realise their intentions (since the competitive/cooperative and integrative/distributive dichotomies are often used interchangeably in the negotiation literature), while the former definition appears to refer more to the broad categorisation of behaviours they develop in the BPA II (see Table 3). For example, in the BPA II, they have persuasive behaviours as well as task behaviours. One of these task behaviours is exploratory problem-solving. There is also a category of behaviour termed "strategic", which includes behaviours such as commitment, threat, and promise. These in fact are the examples of tactics provided in the first definition.

Based on the studies reviewed above, it can be seen that the terms *strategy*, or *procedure* refer to a variety of different concepts. The differences can be largely attributed at the broadest level to dissimilar theoretical orientations. For example, the focus of approaches such as Faerch & Kasper's is process-based and consequently conceives of procedures in terms of being a means toward achieving some kind of goal. In contrast, with a text-based approach such as Widdowson's, whose interest is in the coherence of discourse, the concept of a goal is dispensable.

Further differences in the understanding of the terms emerge from the way goals are defined. To recapitulate, Edmondson talks about *conversational goals* (1981:155) while Faerch & Kasper (1984) and Levy (1979) refer to *communicative goals*, the former discussing them in terms of actional, propositional and modal content (Faerch & Kasper, 1984:216) and the latter in terms of ideational, textual and interpersonal goals (Levy, 1979: 197). Zammuner refers to "*higher level goals* which a speaker has in relation to relevant aspects of the production context" and *task goals* (1987:259,265, emphasis in original). Finally, Brown & Levinson examine strategies in terms of *face-oriented ends*, where 'face' is understood as being either positive or negative in nature (1987:58,59).

2.4.2 GOALS AND INTENTIONS IN A THEORY OF COMMUNICATION

In order to clarify the positions reviewed in the preceding section, it is necessary to consider the different perceptions as to what kinds of 'end' are achieved by procedures.

Castelfranchi & Poggi's model of communication provides a considered analysis of the term. Their discussion is based on the belief that a cognitive theory of social interaction needs to be seen as part of a theory of behaviour, and that behaviour has to be seen as a goal-governed activity. At the same time, they point out that "'cognition' is not a synonym of 'consciousness'... A great part of mental activity consists of ... information processing, ... that [is] totally tacit, silent (neither conscious nor 'unconscious'...)" (1987:240-241).

Castelfranchi & Poggi contend that "a goal is not a synonym of purpose, intention, or want" (1987:241). In their model, they propose that there are three, rather than two, levels of communication, each distinguished by different ends. In addition to 'signification' (eg. the sight of snow 'telling us' it is cold outside) and 'communication' (eg. someone telling us "It is cold outside"), there is another level of communication which they term 'functional signification' (eg. someone's accent 'telling us' his place of origin).

At the simplest level, 'signification' is non-finalistic as it has 'no end' in the sense that no intention is involved. Neither is it the case that the object that signified was 'constructed' to signify. 'Communication' on the other hand is finalistic because there is a goal, a conscious intention, as well as a function. Finally, with 'functional signification', its end is also finalistic, however this is not because there is a conscious goal, but because of the function of the signal. The relationship between ends and the different types of communication are summarised in Table 6 below:

TABLE 6: Types of Communication

Type of Communication Type of End	Signification	Functional signification	Communication
Goal (internal end)	-	+	+
Function (external end)	-	+	+
Intention	-	-	+

Of interest to this study are the types of ends that are identified. According to Castelfranchi & Poggi's model, there are three types of ends: *goals*, which have the internal end of "regulating behaviour holding within the mind" and are 'silent'; *intentions*, "a sub-class of goals, the conscious ones"; and *functions*⁴, which have external "ends of a biological or social kind ... impinging on the individuals mind" (1987:240). These differentiated ends provide a basis from which the terms *procedure* and *strategy* can be defined based on the models discussed so far. It should be noted that Castelfranchi & Poggi comment that there is a continuum between the types of communication they identify (Castelfranchi & Poggi, 1987:250). Similarly, a continuum exists between the procedures to be proposed.

Before discussing the procedures in greater detail, the concept of *intention* needs to be more clearly understood with specific reference to the term *strategy*. Parret's (1984) characterisation of *strategy*, as "prescrib(ing) the development of a program" and as "unfold(ing) interactant relationships by manipulation" (ibid:582) conveys the impression of explicit, conscious deliberation. This impression is enhanced as he goes on to describe the *strategy* as "essentially opaque, polemic, and power-bound" (ibid:583). At the same time it is also described as being "not externalisable, yet still communal" (ibid:595).

This understanding of the *strategy* as being polemic and manipulatory nature is also shared by Goody (1978). She, along with Brown & Levinson (1978, 1987), believe that factors such as power and social distance "have a bearing in the communication of intention" (Goody 1978:11). For example, this can be seen most clearly in Brown & Levinson's bald-on-record strategy which they specify as being used when maximum efficiency is important eg. in an emergency (1987:96), in giving sympathetic advice or warnings (ibid:98). However, Brown & Levinson also assert that "a speaker can use a

⁴ Castelfranchi & Poggi recognise that the concept of 'function' is a puzzling one in a cognitive approach. However, they do not believe that accounting for the phenomena outside of the mind can be achieved "by the illusion of taking everything back to the mental" (1987:249). Similarly, Levy theorizes that the functional and process-oriented approaches are "really duals along a structure-process scale" (1979:201). The functional perspective deals with the realization of static descriptions, while the process-oriented deal with realizing cognitive goals.

bald-on-record FTA [face-threatening-act] to claim (by implicature) that he is powerful over H[earer], and does not fear his retaliation" (ibid:228).

Although it is clear that strategies can be used to manipulate, which implies a high degree of conscious calculation, it cannot be said that this is always the case as implied by Parret's definition. According to Goody (1978:8), "conscious calculation" and "rationality", as used by Brown & Levinson, have the same sense. This being the case, their use of "rational" refers to the means-end procedure by which goals are achieved and "need not be arrived at rationally in the sense of being products of conscious deliberation". Instead, Goody postulates that the choices are probably shaped, at a subliminal level, by a trial-and-error process (1978:8).

It seems likely that this same sense of rationality is shared by Parret's use of the terms "manipulatory" and "polemic". This can be seen in his characterisation of the *strategy* as being "communal", which he uses to refer to the fact that meaning needs to be sited "with reference to some community" (1984:585) in order for strategies to be understood. In advancing this "community view", he is asserting that, in order for strategies to be made sense of, their meaning has to be shared and endorsed by the community at large. At the same time, however, the intentionality of these strategies, though shared, are not necessarily open or externalisable. In other words, it is not always possible to state in clear terms the intention of a strategy, even though the meaning of the intention is clearly understood. Examples that Parret provides are instances of pretending, insinuating, and deliberate ambiguity.

Parret's "community view" of strategies in linguistic philosophy in fact corresponds with a view put forward in anthropology by Goody who stresses the centrality of shared meaning. She believes that the need to be able to predict others' behaviours is so basic that societies "arrange for it" through various social institutions. These function to provide "a common basis for shared meaning of behaviour and a common set of premises for action". But above all, she emphasises that it is through language, one of the social institutions, that the goals and intentions of others are known because "we judge a

person's intentions above all from what he says" as well as how it is said and by whom (ibid:12).

Goody also points out that "because of the fundamental nature of human dependence on interactive strategies for goal achievement" and "the central importance of being able to predict others' behaviour", social interaction depends on standardisation of expression of social intentions. These are realised in various forms - "dress, posture, expression, speech, social relationships". It is through these "cues" established by the community, that intentions are imputed. Goody adds, whether intentions are imputed "correctly or incorrectly is variable, but significant" (1978:13). The significance is intensified with intercultural communication since the social contexts, the community-established cues, of the interlocutors might vary considerably. The role of intention is therefore crucial to any framework of language use.

2.4.3 PROCEDURES AND STRATEGIES: A FRAMEWORK

In all, six procedures are postulated. At the lowest, most subliminal, level of processing are what will be referred to as **cohesion procedures**, following Widdowson's terminology. These procedures do not involve any intention on the speaker's part, neither do they serve any pragmatic function. However, although they are not conceptualised in terms of ends, they can be seen to have an "internal end", that of ensuring the propositional development of the discourse (see Table 7). In terms of Halliday's functions of language, they could be said to serve "the expression of 'content'" (Halliday 1970:143).

Of the studies reviewed, cohesion procedures are most clearly illustrated by Faerch & Kasper's (1984) model. The most relevant parts of this model are the first two stages of procedural knowledge where the first deals with goal formulation and context-analysis, and the second with verbal planning. The aim of this latter phase is defined as "convert[ing] the (abstract) specification of the goal into linguistic form at all linguistic levels" (ibid:216). As far as cohesion procedures are concerned, they are characterised by

the lower level processing that occurs in this verbal planning stage of procedural knowledge.

In terms of Levy's (1979) model, the micro-level planning strategies described are very similar to Widdowson's exemplification of cohesion procedures as "devices of thematisation and grammatical cohesion" (1979:67). Finally, from the perspective of Zammuner's (1987) model, it could be said that her cognitive manoeuvres also correspond to cohesion procedures since they focus on the short term planning involved in the linear organisation of discourse. Like Faerch & Kasper's (1984) model, Zammuner (1987) also emphasises the importance of the situational context at this level of language processing. However, from their examples, it should be noted that this context is relatively limited and is roughly equivalent to Dascal & Weizman's metalinguistic shallow context (1987:38).

TABLE 7: Procedures and Strategies in Negotiation Discourse

Type of Procedure		Cohesion Procedure	Coherence Procedure	Interactional Procedure	Conversational Strategy	Rhetorical & Negotiation Strategies
Type of End						
Internal End		+	+	+	+	+
External End	Textual	-	+	+	+	+
	Interactional	-	-	+	+	+
Intention	Unframed	-	-	-	+	+
	Framed	-	-	-	-	+

In contrast to cohesion procedures, the next type of procedure, to be termed **coherence procedures**, again following Widdowson's terminology, has both internal as well as external ends (see Table 7). External ends, which regulate cognitive processes reflected in behaviour, provide a textual function in the case of coherence procedures. The concept of textual function follows Halliday's definition, which refers to the function of language which "make[s] links with itself and with features of the situation in which it is used" (Halliday 1970:143). As far as intention is concerned, none are assumed to be involved at this level of processing.

Apart from Widdowson's understanding of the term, coherence procedures are conceived as being equivalent to Levy's (1979) macro-level planning, which deals with discourse structure. A similar level of processing can be said to occur in Faerch & Kasper's (1984) verbal planning phase, but at a higher level than in cohesion procedures. The two levels are contrasted clearly by Faerch & Kasper in their example cited in [5] above. Lower level cohesion procedures are conceived as realising the 'appeal', the 'topic introducer', the 'forewarn' and so on, while the higher level coherence procedures are conceived as realising the overall order in which the propositions are structured.

Interactional procedures, like coherence procedures, are also postulated as having an external end. In other words, they are conceived as having a textual function that connects discourse to itself and to the situation. However, in addition to this, interactional procedures also serve to realise the dynamic aspects of language use. Specifically, these procedures deal with discourse at the level of Exchange as well as features of conversational management. As such, they are believed to have an interactional function, but like the other procedures considered so far, no intention (see Table 7). Examples of interactional procedures are features of conversation such as turn-taking, back-channel devices, silences etc. They can also be equated with some of Gumperz's (1982) contextualisation cues.

As can be seen from the table, the remaining procedures are conceived in terms of Castelfranchi & Poggi's concept of intention. As far as **conversational strategies** are concerned, in terms of Halliday's language functions, they involve the interpersonal aspects of interaction which serve to "establish and maintain social relations for the expression of social roles" (Halliday 1970:143). The significant feature of these strategies is that they are conceived to involve intention pertaining to the establishing of the interpersonal variables of social distance, relative power, and absolute ranking as outlined by Brown & Levinson (1987). Conversational strategies are equivalent to Edmondson's strategies realised in his model as 'Pre-exchanges' and 'Supportive moves'. They are also comparable to Brown & Levinson's politeness strategies and influence all the other strategies apart from the negotiation strategies.

The final two strategies deal with procedures above the level of Exchange as well as the parallel concepts of speech event and schemata. Both strategies are realised at the level of Transaction and have both unframed and framed⁵ intentions. As far as **rhetorical strategies** are concerned, they involve coherence at the discoursal level (as opposed to the lower coherence procedures). Because rhetorical strategies are framed, they will differ from speech event to speech event. That is to say that the rhetorical strategies used in everyday conversation are different from those used in classroom situations, which in turn differ from those used in courts of law. Intention can be said to be more conscious since the strategy involves the management of topics and it may be a conscious decision whether a certain topic is appropriate and how it should be developed. At the same time, more subliminal processing may be involved especially in the way information is presented or points of view argued as these are often culturally influenced.

The final procedure, the **negotiation strategy**, also involves intention at a conscious level. Most negotiators enter the speech event with specific goals; a clear idea of what they want out of the encounter and the minimum levels they are willing to accept before they break off negotiations. One of the other considerations for most negotiators is how they plan to achieve those goals; in other words, whether their game plan is to be cooperative or competitive (Putnam & Jones 1982a:270). Thus negotiation strategies are the procedures negotiators employ in order to achieve these goals.

In proposing the above framework of procedures and strategies, it is believed that the strengths of the various approaches to discourse and business negotiation communication have been incorporated into a coherent theoretical basis for investigating intercultural business negotiation. While it is acknowledged that the various disciplines and theoretical orientations make for an eclectic framework, it is hoped that the means justifies the ends of a more thorough understanding of a complex subject.

⁵ Rather than use "schemata", the term "frame" is preferred since it does not have the connotation of rigidity, a limitation of the term acknowledged by Gumperz (1984:278). Tannen (1979) also points out that "the key aspect of frames is what the people are *doing* when they speak (ibid:142, original emphasis) which is more in keeping with the ethnographic perspective of the speech event.

CHAPTER THREE

METHODOLOGY AND A FRAMEWORK OF ANALYSIS

This chapter begins with a section that considers the advantages and disadvantages of role-play data over authentic data in relation to the objectives of this study. It is followed by section 3.2 which describes the data collection methodology and provides a profile of the negotiators. The final section, 3.3, describes the framework used in the analysis of the data, drawing mainly from Edmondson's (1981) speech act model of analysis and Putnam & Jones' Bargaining Process Analysis II (1982a).

3.1 Role-play vs Authentic Data

The decision to base this research on data elicited from role-plays is one that is soundly based on the objectives of the study. As discussed in Chapter One, the objectives are two-fold. The first is to propose a framework that can account for the different procedures and strategies in negotiation discourse. Second, it is to identify differences in the way these procedures are employed in different intracultural and intercultural interactions. Based on these objectives, it was decided that data from role-play negotiations would be better suited to the objectives of this research than data from authentic negotiations. The reasons for this decision are presented in this section.

Before considering the advantages and disadvantages of role-play data, the limitations of using authentic data will be considered. The most common difficulty faced by researchers trying to collect authentic negotiation data is having to deal with firstly, the problem of confidentiality; and secondly, the natural inhibitions of individuals to being recorded. These are real and practical difficulties, but they can be overcome. However, apart from

these problems, there are several theoretical problems that arise from using authentic data, even though it would seem to be the most ideal.

First, the most serious handicap in using natural data is the difficulty for the analyst in recovering background information. At one level, this refers to information about the relationships that exist, not just between the individual negotiators, but between their respective companies. An understanding of this information is crucial since intention is relevant to the analysis of many of the procedures being investigated. The problem is compounded if the negotiation is one dealing with an already established relationship, making it more difficult to uncover background information.

Specifically, the information that is relevant deals with the different aspects of the interpersonal and institutional relationships. At an interpersonal level, the relationships that obtain between the participants are significant in terms of status, solidarity, power and affect. At an institutional level, background information about the business context of the negotiation is essential in terms of the relative statuses of the companies involved, the relative importance of the variables involved and the worth of these variables to the parties. In other words, knowing who knows what, and being able to understand how that information is used, is also central to understanding the way power is manipulated in a negotiation.

There is also the issue of being familiar with technical information about the trade. The problems associated with this last point should not be under-estimated because it is crucial background information necessary to understanding the context of talk. Therefore, unless the analyst is a participant in the negotiation, it would be virtually impossible to recover all the information outlined above.

Attempting to elicit some of this information, as well as information about the negotiators' attitudes and opinions through interviews or questionnaires, is also problematic. Given the ongoing relationships between the parties of authentic negotiation, it would be very difficult, if not unfair, to ask the participants to respond to such queries. They might be amenable to responding to questions about their attitudes to the negotiation and its outcome, but would likely be hesitant to assess their business associates in terms of their

communication and negotiation skills. Similarly, they would also be hesitant in providing an assessment of their own and their company's status and power vis-a-vis their opponent's.

Where this study is concerned, employing authentic data also results in difficulties with collecting comparative data. While there are difficulties in gaining access to a number of different naturally-occurring negotiations, it is still possible. However, the difficulties multiply when looking for a comparative set of intra and intercultural negotiations similar to the paradigm set up later in 3.2.1. Given the unique nature of all authentic communication, it would be almost impossible to gain access to similar negotiations given the many variables involved.

Turning to the limitations of role-play data, the most obvious criticism is that simulated data may not be natural because of the artificiality of the situation in which the participants are put. They have to contend with the intrusive presence of an observer or a recorder of some kind which could inhibit or alter the way they would normally behave. While this is a valid limitation, it must also be recognised that any research involving the recording of language involves the presence of an intrusive agent, and unless the subjects are recorded without their knowledge (which creates other problems), there will always be an element of doubt as to the authenticity of the language.

A further weakness of role-play is the amount of background information which the role-players have to construct. Though a valid problem, this can be compensated for with a well-trying and well-constructed role-play and by ensuring that the role-players have adequate time for preparation. Whatever background they formulate for their own positions is acceptable because, even in authentic situations, negotiators do not have access to the others' positions. Neither is it unrealistic to expect that negotiators exaggerate the truth to their advantage.

Furthermore, a well-constructed role-play should provide adequate guidance for the role-players and at the same time allow the players to function in a manner that is not too unnatural or unfamiliar to them. Such role-play is preferable to the type of role-play

which requires participants to call up emotions such as shock, surprise, truculence, etc when they need not necessarily be feeling so (for example, Edmondson 1981).

Data based on role-play negotiations could also be flawed as participants might not be adequately motivated to get the best deal possible. Again, this is a weakness that can be overcome by ensuring that the role-players are not students, for example, who have been paid or coerced into participating. With individuals who willingly volunteer to participate in a role-play experiment, they are likely to be enthusiastic and motivated. They are also likely to be competitive individuals who enjoy the challenge of a game. This would seem to be borne out by the role-players in this study, one of whom brought along actual samples of the products he was required to sell.

A further weakness of the role-play is the opening, the most vulnerable point, as the role-players are often awkward and unsure as to what point constitutes the beginning of the role-play, or what constitutes a "proper" beginning of the negotiation and so on. Although this is an interesting aspect, especially for intercultural studies, it is a difficult problem to overcome. For this reason, this part of the encounter, termed *Ave* by Edmondson (1981), will be omitted in the analysis. While this section may affect the strategies and procedures of interest to this study, their influence appears to be limited. Furthermore, they are structurally well-marked and therefore easily isolated. This issue is discussed in greater detail in section 3.3.

While recognising these limitations, there are several good reasons why role-play data is preferable to authentic data for the purposes of this study. One of the most important reasons is that the significant problem of irrecoverable background information is largely negated. Crucial information about the negotiators' positions, such as their personal and institutional relationships and statuses, becomes available since they are provided by the researcher.

The significant but elusive and often unknowable influence of power can also be better managed. According to Julian (1990), there are two types of power in negotiations, 'real power' which is "general power in the world outside" and 'table power' which is event specific (ibid:158). Both types extend from the same sources, identified by Julian as

coming firstly from real world status, secondly from the roles parties play in the speech event, and thirdly from situational factors existing in the particular negotiation.

Situational factors that could be relevant are the dependence relationship between the parties, the history of their past relationships, and the facts of the case (ibid:158).

Julian contends that “table power is in fact communication skill, the ability during the actual encounter to find out about available resources of real power on both sides and then to communicate one's impression of the power balances appropriately and influentially to maximise one's position” (ibid). In reality, the relationship between ‘real’ and ‘table’ power is not always easily distinguishable. For instance, in a situation where two individuals are negotiating, and all other things are equal, one represents a highly respected, high profile multinational company and the other a small local supplier, it is likely that the former’s real power is going to influence his table power.

However, with role-play, the distinction between real and table power becomes much clearer because real power is totally suspended, and negotiators only have table power available to them. In other words, their real world status is no longer effective, neither is there any dependence relationship nor history between the individuals and their companies from previous interactions. Furthermore, the power that they do possess, such as might reside in the role they play in the simulation and the facts of the case, is in the control of and known to the researcher.

The effectiveness of this can be seen in one of the role-plays used in this study, 3BB. Both the British negotiators in this role-play are bankers. The person designated as BB in the transcripts works for National Westminster Bank as Senior Regional Manager in Singapore with 30 years’ working experience. The other person, RP, works for Barclays Bank as a management trainee and has 3.5 years’ experience. A little of this background was exchanged in a short chat the negotiators had just before the role-play.

What is interesting to note is that despite BB's significantly higher status, RP is able to negotiate one of the best outcomes of all the interactions¹. This would indicate that the considerable real power BB has in his real world status as senior regional manager was not influential in this interaction with RP, whose real world status is significantly less influential. Instead, what does appear to have influence is the table power accorded to RP in his capacity as buyer in the role-play, as well as his own negotiating skills. This can be seen in the analysis of the data in chapter four.

Other advantages of role-play data lie in the greater control the researcher has over the many variables. For example, in the case of this study, different sets and combinations of dyads are possible. This is essential for comparative purposes, and to ensure a greater measure of reliability in generalizing. In other words it is possible to obtain, relatively easily, several sets of three dyads of the Singaporean-Singaporean, British-British and British-Singaporean configurations. It would be extremely difficult to obtain authentic data of a similar nature.

Furthermore, other relevant information about the value of the items being negotiated, the business context and the technical information are not only known to but can also be controlled by the analyst. Since the most essential details are supplied in role-play cue sheets, the negotiation situation is the same in all the role-plays. With authentic data, it is unlikely that this would be possible, assuming that data with the necessary mix of variables can be obtained. Furthermore, because the information in role-play is provided, the analyst has the necessary background information in order to interpret the strategies employed by the negotiators.

Julian ably summarises, as follows, many of the views stated above:

"Such semi-natural simulations involving experienced participants yield particularly valuable data because, as well as being available and non-sensitive (most real-life negotiation is out-of-bounds for observers), they offer some control of virtually limitless variables. Normally, an observer cannot hope to ascertain all the facts and motivations in real-life bargaining, nor is post-event debriefing very reliable in such a complex and face-threatening situation. But simulations have no element of 'real' outside-world power. What

¹ RP earned 66.3% of the total profits generated by the negotiation compared to BB's 33.7%. A summary of all the negotiators' percentage profits can be found in Appendix A. Although not an entirely satisfactory measure of success, these figures do give an objective indication of how effective the negotiators are.

is on show is table power, the negotiators' skill in using roles and situational information which the facilitator provides."

(Julian, 1990:161).

3.2 Collection of Data

This section provides some background information about the collection of data. The first sub-section covers details about the role-play used and how it was set up. This is followed by information about the post-game questionnaire and, subsequently, the participants.

3.2.1 THE ROLE-PLAY

The data comprises three sets of role-play negotiations. Each set is made up of a British-British, a British-Singaporean, and a Singaporean-Singaporean negotiation. One subject each from the intracultural interactions participates in the British-Singaporean negotiation. In order to ensure consistency in the comparison of the linguistic procedures being investigated, the following buyer/seller role configurations were followed in each set:

British seller	negotiates with	British buyer
British seller	negotiates with	Singaporean buyer
Singaporean seller	negotiates with	Singaporean buyer

In each set, the British seller is the same in both the intracultural and intercultural negotiations, as is the Singaporean buyer. By ensuring that this configuration is consistent across all three sets, the differences between buyer/seller roles are minimised when making comparisons across sets, particularly for the intercultural negotiations. In other words, all things being equal, the total bargaining behaviours in the intercultural negotiations in one set is the same as the behaviours in the other sets as far as role behaviours are concerned.

The subjects based their negotiations on a standard sales negotiation game (see Appendix B) used by Graham (1980) in his research into cross-cultural American-Japanese business negotiations. According to Graham, the game has been in use since 1966 and was

"selected primarily because it simulates the essential elements of actual sales negotiations observed in the preliminary field research" (ibid:106). Two different versions (RP1 & RP2) were generated so that the subjects negotiating twice would not have identical situations as their first negotiations.

The role-play itself is a basic buyer-seller negotiation. The buyer is a representative of a supermarket chain and the seller a representative of a company that supplies food products. Their negotiation focuses on the sale of three food products. For the purposes of the role-play, the negotiators do not use specific prices, but instead use letters which represent the profit level they obtain if the letter price is agreed on. Thus a letter price represents one profit level for the seller and, at the same time, a different profit level for the buyer. The buyers and sellers know only their own profit levels. In all, there are nine letter prices which the negotiators bargain with. In addition to the prices, they are also free to introduce other issues such as credit terms and promotion packages.

The cue-sheets for the role-play were sent to the negotiators two to three days in advance. In addition to the information provided in the sheets the negotiators were told to assume that they had met once before, very briefly in informal circumstances. The role-plays were taped in conference rooms in the National University of Singapore. The equipment and operator of the equipment were placed to be as unobtrusive as possible.

3.2.2 THE POST-NEGOTIATION QUESTIONNAIRE

After the role-play, the players were asked to fill in a questionnaire (see Appendix C) eliciting their responses to the negotiation. This was done in order to have a yardstick to judge the success of the negotiations. In addition, it also provides an insight into the negotiators' attitudes towards the communication during the interaction and the opponents with whom they negotiated.

The questionnaire is a simplified version of one used by Graham (1980). It elicits specific information in four broad categories dealing with the negotiators' attitudes to the bargaining strategies used by their opponents, the communication during the negotiation, as well as their attitudes towards their opponent and their opponents' attitudes toward

themselves. The negotiators record their responses on a 5 point scale. In subsequent analysis, 5 is designated the most positive and 1 the least favourable rating on any item.

3.2.3 THE SUBJECTS

In selecting the role-players, two basic requirements had to be met. Firstly that they should not know the person with whom they were negotiating; and secondly that they had at least three years working experience. The British role-players were mainly approached through the British Business Association in Singapore, and the Singaporeans through the Masters of Business Administration course run by the Faculty of Business Administration, National University of Singapore.

Below are a few details about the participants collected at the time of their role-plays. The notation used to refer to the role-players provides information firstly about their nationality, ie upper-case "B" indicates "British" and upper-case "S" indicates "Singaporean", and secondly their role, ie lowercase "b" for buyer and lowercase "s" for seller. Thus B1/b is the British negotiator number one who plays the role of buyer in his negotiation. The negotiators are also referred to by their initials.

Set One

British-British negotiation (1BB): **LB** (B1/b) with **AM** (B2/s)

British-Singaporean negotiation (1BS): **AM** (B2/s) with **RM** (S2/b)

Singaporean-Singaporean negotiation (1SS): **KS** (S1/s) with **RM** (S2/b)

LB (B1/b) is British and has seventeen years' working experience. He is the director of a trading firm. He speaks English and Italian fluently². He has lived in Singapore for fourteen months and on a previous attachment lived there for two years. Apart from living in Singapore he has also lived in Canada for three months. He negotiates once in 1BB.

² The language proficiency levels of the participants are based on their own assessments.

AM (B2/s) is British. He has worked for three and a half years and is the general manager of a trading firm. He does not speak other languages apart from English. He has lived in Singapore for six months but he has made numerous prior visits each lasting between one week and four months. Other countries that he has lived in are South Africa (seven years), Hong Kong (one year) and Brazil (six months). He negotiates once with **LB** in 1BB, and a second time with **RM** in 1BS.

RM (S2/b) is a Singaporean, educated in English. He has seven years' working experience. He works as Far East editor for an international publishing company dealing with trading information. He speaks English and Teochew fluently as well as a little Mandarin. He has lived all his life in Singapore but has travelled to a limited extent in the course of business in South and South-east Asia. He negotiates with **AM** in 1BS and with **KS** in 1SS.

KS (S1/s), the other Singaporean was educated in Mandarin but did his undergraduate degree at the English-medium university. He has five years' working experience and is the director of a trading firm. He speaks Mandarin, English and Hokkien fluently. He has always lived in Singapore but travels extensively for two to three months each year in Asia, Europe and America. He negotiates once with **RM**.

Set Two

British-British negotiation (2BB): **KB** (B3/b) with **BH** (B4/s)

British-Singaporean negotiation (2BS): **BH** (B4/s) with **DL** (S4/b)

Singaporean-Singaporean negotiation (2SS): **PS** (S3/s) with **DL** (S4/b)

KB (B3/b) is British and is monolingual in English. He has worked for 28 years and is the general manager of a division in an industrial company. Apart from Singapore, in which he has worked for three years, he has also lived in several African countries, Pakistan and New Zealand for periods ranging between one and four years. He negotiates once with **BH**.

BH (B4/s) is also British and monolingual in English. He is the general manager of an industrial company with 38 years' working experience. He has worked in Singapore for seven years, the only foreign country in which he has worked. He negotiates with KB as well as DL.

DL (S4/b) is Singaporean. He was educated in English, which is the only language he speaks fluently. He is an agent with an insurance company and has seven years' working experience. He has not lived or worked outside of Singapore. He negotiates twice; once with BH and then with PS.

PS (S3/s) is a Malaysian who has lived in Singapore for six and a half years. He is an assistant manager in an engineering company with six and a half years' of working experience. He is educated in English and speaks English, Cantonese, Hokkien and Mandarin fluently. Apart from Singapore, he has lived in England for three years as an undergraduate student. He negotiates once with DL.

Set Three

British-British negotiation (3BB): **RP** (B5/b) with **RB** (B6/s)

British-Singaporean negotiation (3BS): **BB** (B6/s) with **AL** (S6/b)

Singaporean-Singaporean negotiation (3SS): **HC** (S5/s) with **AL** (S6/b)

RP (B5/b) is British, monolingual in English, and has lived in Singapore for seven months. He has three and a half years' working experience and is a management trainee. He has not lived or worked in a foreign country other than Singapore. He negotiates with RB.

BB (B6/s) is British and does not speak other languages apart from English. He is the senior regional manager of a bank and has 30 years' working experience. He has lived in Singapore for one and a half years. Apart from Singapore, he has lived and worked in Australia for four years. He negotiates once with RP and another time with AL.

AL (S6/b) is Singaporean. He was educated in English, in addition to which he speaks Mandarin, Teochew, Hokkien and Cantonese. He works as an estates officer in the

national public housing organization and has four and a half years' working experience. He has not lived or worked outside of Singapore. He negotiates with RB and then with CH.

HC (S5/s) is a Malaysian who has lived in Singapore for 18 years. He was educated in English, the language in which he is most fluent. He has worked for three years and is pursuing a Masters in Business Administration. He has not lived or worked abroad. He negotiates once with AL.

3.3 The Framework for Analysis

The framework developed in this section is based on the assumption that there is an intrinsic relationship between strategy and structure. According to Parret, the minimal definition of a strategy is that "it expresses a deontic modal structure, namely that it prescribes the development of a program, and that it unfolds interactant relationships by manipulation" (1984:582). Thus the purpose of this section is to "externalise" (ibid:569) the procedures and strategies outlined in section 2.4.3. Each of the following subsections focuses on a different level of the structural framework and the section concludes with a proposal of the inter-relationships between these levels which reflect the different linguistic procedures.

The basic framework is a speech act model informed by the work of the "Birmingham school" of discourse studies (Sinclair & Coulthard, 1975; Coulthard & Montgomery, 1981; Coulthard, 1992) and Edmondson's (1981) model of spoken interaction. Both are rank scale models, albeit with different conceptualisations of the different levels.

The "Birmingham school", based on Sinclair & Coulthard's (1972) model of classroom discourse, postulates five levels of discourse (Lesson/Interaction, Transaction, Exchange, Move and Act) with the possibility of a sixth level, Sequence, between Transaction and Exchange (Coulthard, Montgomery & Brazil, 1981:27). Edmondson's model (1981) also has five basic levels (Encounter, Phase, Exchange, Move and Act), although he also

speculates on the possibility of a further rank, Transaction, between the Phase and the Exchange (ibid:190). A summary of the various ranks is shown below:

Sinclair et al	Edmondson
Lesson/Interaction	Encounter
	Phase
Transaction	Transaction
Sequence	
Exchange	Exchange
Move	Move
Act	Act

As can be seen in the above table, the models are identical from the level of Exchange and below. However, there is less correspondence between the two models at the higher levels of analysis. In his model, Edmondson introduces the concept of the Phase and suggests that "an Encounter consists of an ordered sequence of phases, though the only structural possibility we feel justified in positing at this level of analysis is that of (Ave)-Business-(Vale)" (Edmondson, 1981:114). Although the "Birmingham" model recognises a similar distinction in the organisation of the macrostructure, it is divided as to whether the initial and final elements should be included as part of the interaction.

Coulthard, Montgomery & Brazil propose that greetings and leave-takings (Edmondson's Ave and Vale) open and close *situations* in which *interactions* occur and that they are therefore not part of the structure of an interaction (1981:15,16). In contrast, Francis & Hunston believe that greetings and leave-takings are an integral part of interactions. Their position is supported by an instance in their data sample in which one transaction "is made up entirely of three Greet exchanges and one Structuring. To see a closing transaction like this (and it clearly qualifies as a transaction) as part of a situation but not as part of an interaction would be to 'jump' a rank, which is inconsistent with the fundamental principles of rank-scale analysis" (1992:140-1).

Their position, although more substantiated than Edmondson's, is based on their categorisation of their sample as a transaction. However its status is questionable as can be seen in the footnote to their parenthetical comment quoted above: "It qualifies as a transaction in spite of the fact that it has no exchange realising the M[edial] element, which we have categorised as obligatory. It is possible that a sub-class of transactions, consisting of those which open and close whole conversations, is needed. These would have no obligatory M element" (Francis & Hunston, 1992:161n). Since the transaction lacks this *obligatory* element and also appears to lack a discourse topic, another basic consideration (ibid:140), the rationale for its status is curious.

What Francis & Hunston's sample does establish is that such initial and final elements are essentially different from other equivalent "business" transactions. In comparison, Coulthard, Montgomery & Brazil's initial conception is more convincing and also intuitively more appealing. Their position is further supported by the doctors who participated in their research, one of them deciding "that the greetings were not part of the interview and only turned on the tape-recorder after these preliminaries, while another turned off the tape-recorder before he dismissed the patient" (ibid:16).

For the purposes of this study, Coulthard, Montgomery & Brazil's (1981) development of the "Birmingham" model is followed in perceiving the interaction as beginning after the greetings and terminating before the leave-takings. The next two levels in their rank scale, Transaction and Sequence, are also employed in this study. Although both these levels have not been developed to any great extent, their model recognises the status of these levels and has some criteria which provide a minimal definition. Edmondson does not discuss Sequence at all in his model, and only makes passing reference to the level of Transaction simply acknowledging that "[i]t might be necessary in fact to introduce a further rank in interactional structure between the Exchange and the Phase, which one might wish to call Transaction." (1981:190)

In Coulthard, Montgomery & Brazil's definition of Transaction, the boundaries of this unit are often, though not always, marked by frame (eg. well) and focus (eg. today I thought we'd do three quizzes). They also suggest that Transaction boundaries appear to be co-

terminous with topic boundaries. Furthermore, their data indicates that these boundaries are sometimes marked by high pitch, in certain circumstances (1981:16,17).

The status of the Sequence is even less well-defined. Nonetheless, Coulthard, Montgomery & Brazil comment that they became "growingly more certain that there was additional structure between exchange and transaction" (ibid:27) when they extended their analysis to other types of discourse, namely doctor-patient exchanges, committee meetings, and broadcast discussions. At the same time, they also recognise that in fact "this is a very different kind of analysis" (ibid:31), as evidenced by its dependence on cohesive features such as lexico-referential cohesions, occurrence of synonyms, antonyms, hyponyms and words from the same semantic field, anaphora, ellipsis and so on (ibid:29).

As far as the levels of Exchange and Move are concerned, the "Birmingham" model is less effective for the purposes of this study as compared to Edmondson's model. While the Exchange structure of Sinclair & Coulthard's (1975) model provides an insight into teacher-pupil discourse for which it was designed, its use tends to be limited to other similar types of discourse. Thus when the model was extended to other discourse types, it was found to work particularly well with doctor-patient interviews, which is similar to teacher-pupil talk since the doctor has control over topic, relevance and speaking turns (Coulthard, Montgomery & Brazil, 1981:18).

However, with committee meetings, which Coulthard, Montgomery & Brazil expected to be most different since they involve "a discussion between professional equals with the chairman having only the most general control over topic" (ibid:18), they were in fact found to have "a comparative lack of complexity at the rank of exchange" (ibid:24). Similarly with data based on broadcast discussions with "'representatives' of differing viewpoints being asked to present their opinions", they ended up with an exchange structure which "seemed even simpler" (ibid:26).

Given the equality in status of the individuals and the potential for conflicting ideas and disagreement in the committee meetings and broadcast discussions, it is indeed surprising that the Exchange structure is apparently less complex than found in classroom and doctor-patient discourse. This could be due largely to the basic Initiation-Response-

Feedback structure of the Sinclair & Coulthard (1975) model, based as it is on data of teacher-dominated classroom interaction. In contrast, Edmondson's Proffering, Contraing, Countering and Satisfying Moves allow for a more revealing analysis of the Exchange structure. The Contra and Counter Moves, in particular, have greater potential in accounting for the substantive content and the interactional development of the discourse at the level of turn-taking.

At the level of Act, the framework for this study departs from the linguistic models and instead employs the Bargaining Process Analysis (BPA) II, a systems-interactional approach discussed in the literature review. Such approaches are similar to linguistic studies in that they focus on the function and structure of communication (Putnam & Jones, 1982b:265). In particular, the BPA II and other coding systems are similar to speech act theory because they perceive that "communication resides in the sequences or patterns of communicative acts" (ibid:263) which are identified and labelled. The BPA II is preferred over the act categories of the linguistic models discussed so far because it is developed specifically to code negotiation behaviour.

Another concept introduced from non-linguistic research on negotiations is that of the Phase³. The Phase, as it is conceived in communications studies, takes account of the "evolution of behaviours" (Putnam & Jones 1982b:265), showing how strategic behaviours move the negotiation towards outcome. This added dimension accounts for an aspect of discourse missing in the rank scale linguistic models, that is the dynamic development of the negotiation over time. It also provides a broader context, understood in terms of negotiators' goals and intentions, from which to understand the linguistic procedures. Because the Phase, in terms of the framework that has been described so far, is equivalent to the level of Transaction and because it is very different in character to the other levels in the rank scale model, it is not conceived as being part of the linguistic structure. Instead, it is conceived as an additional level which provides a pivotal axis to integrate the contextual and linguistic features of negotiation discourse.

³ The term should not be confused with Edmondson's use of Phase, which, as has already been noted, is not relevant to this study. All subsequent uses of the term therefore refer to this non-linguistic concept.

A summary of the framework is presented below, illustrating the different levels as well as their component elements. The various levels will be discussed in sections 3.3.1 to 3.3.6 below, beginning with the lowest level first.

TABLE 8: Summary of the Analytical Framework

Level X: Phase	Initiation; Problem-solving; Resolution
Level 1: Transaction	Contract review; Product review; Background review; Contract Bargaining; Product Bargaining; Integrated Bargaining
Level 2: Sequence	Product information; Add-on services; Business operations; Market potential; Contract terms; Proposal; Procedure
Level 3: Exchange	Chained; Progressive; Mid-move; Pre-responding; Post-responding
Level 4: Move	Proffer; Contra; Counter; Satisfy; Reject
Level 5: Act	BPA II bargaining behaviours

3.3.1 NEGOTIATION SPEECH ACTS

The Bargaining Process Analysis II proposed by Putnam & Jones (1982a) for coding bargaining interaction consists of several bargaining behaviours categorised into six main functions (see Table 9). **Bargaining behaviours**⁴ are "the communicative behaviours that operationalise strategies" (Putnam & Jones, 1982b:270). Although Edmondson's framework provides a comprehensive categorisation of illocutionary acts, it was found to be limited in elucidating the strategic nature of the discourse and its focus on intention. Since Putnam & Jones' BPA II focuses on the function as well as the content of bargaining, it is particularly suited to the analysis of illocutionary acts in the framed context of negotiation discourse.

⁴ Terminology being explained for the first time is bolded in order to facilitate easy reference.

TABLE 9: Modified Bargaining Process Analysis II

Substantive behaviour: facilitate negotiation process

- Initiation: provide initial offers and advance new proposals
Acceptance: accept opponent's proposal, retraction, position
Rejection: reject opponent's proposal, retraction, position
Accommodation: concede point to other or retract proposal in face of resistance
Retraction: retract previously made initiation or accommodation; modifies previously stated position to make it less agreeable

Coercive behaviour: influence expectation/action of opponent

- Commitment: take firm position; indicate non-negotiable position
Threat: withholding potential reward or sanction if opponent doesn't comply; negative consequence
Promise: offer reward or sanction if other complies in stated manner; positive consequence
Demand: call on opponent to make accommodation or to demonstrate willingness to negotiate

Persuasive behaviour: function as argument and evidence in support of claims made

- Self-support: arguments in favour of/justifying own position:
Other-support: arguments that support opponent's position; indicate bargainer understands other's position
Attacking: present arguments attacking other's substantive position

Task behaviour: promote business-like discussion of issues

- Request information: request data, ask for specific info on other's position
Provide information: supply info, reiterate previously stated position
Request reaction: request response from other about position presented
Provide reaction: provide reaction to other's proposal; make statement that aggressor disagrees with other's proposal
Clarification: offer question of clarity; accept/reject clarification
Exploratory problem-solving: search for mutually beneficial outcomes; promote exploration of alternatives; profess cooperative intentions

Affective behaviour: linked to expression of feelings about other and bargaining situation

- Positive affect: attempt to relieve tension; create feelings of solidarity; express approval/satisfaction with other or situation
Negative affect: become irritable; show tension; criticize other by attacking other's character/status; express disapproval/ dissatisfaction with other or situation

Procedural behaviour: move discussion along by focusing on bargaining procedures or on methods for organizing bargaining interaction

(Putnam & Jones, 1982a:180)

Modifications to the BPA II are minimal. One change has been made to the sub-categorisation of the various *persuasive behaviours*. In the Putnam & Jones' model, these behaviours are classified into different types of arguments: statistical, example, analogy and causal. These categorisations have been omitted as they are not relevant to the aims of this study. The second change is in the terminology used. In the BPA II, there is a category termed "strategic" which includes behaviours such as *commitment*, *threat*, *promise* and *demand*. Since the term "strategic" can be applied to these behaviours as well as the *substantive*, *persuasive*, *task*, *affective* and *procedural* behaviours, the "strategic" behaviours have been termed *coercive*.

In coding the data, the same weaknesses that arise in labelling speech acts are encountered. This has already been discussed in Chapter Two. The main practical problem arising from the use of this model is the possibility of two or more codes being suitable. In discussing this issue, Edmondson (1981) recommends the "hearer-knows-best" principal in which the hearer's response is used as a guide in determining a specific choice of speech act. However, for this study, multiple coding is used since the purpose of employing the BPA is to trace the development of strategic behaviours.

Since it is recognised that much of language use is indeterminate, even if the hearer responds to one possible illocutionary force, it does not negate the existence of the alternatives. This is especially true in negotiations which have been characterised as having mixed motives. Hence, multiple-coding is used on the assumption that once an indeterminate act is executed, it is "out there" and is potentially effective. Although its effect may not be immediately evident in the hearer's response, it still has the potential of affecting the future direction of the hearer's behaviour.

In addition to analysing the bargaining behaviours in terms of the BPA II, the behaviours are also categorised, following Putnam & Jones (1982a) as being either distributive or integrative in nature. These are referred to as **strategic behaviours**⁵. **Distributive strategies** emphasize the win-lose aspect of bargaining and "promote individual winning

⁵ This term "behaviour" is used loosely to refer to the specific bargaining behaviours described in the BPA II and also as a generic term to refer to the integrative, defensive and offensive strategies.

through the use of offensive and defensive manoeuvres" (Putnam & Jones, 1982a: 173). They are further categorised as being **offensive** (ie. attacking) and **defensive**.

Integrative strategies work towards creative alternatives given the differing objectives with which most negotiations begin. They are realised by cooperative tactics which lead to problem solving (ibid:173).

Based on Putnam & Jones' (1982a) research, integrative strategies comprise behaviours such as Initiation, Acceptance, Other-supporting Arguments, Exploratory Problem-solving, Positive Affect, and Procedural Statements. Defensive strategies include Accommodation, Retraction, Commitment, Promise, Self-supporting Arguments, and Provide Information. Offensive strategies are behaviours such as Rejection, Threat, Demand, Attacking Arguments, Request Information, Request/Provide Reaction, Clarification, and Negative Affect.

3.3.2 INTERACTIONAL MOVES

Edmondson, following Sinclair & Coulthard, suggests that Moves have three basic elements - Uptake, Head, and Appeler - although Uptakes and Appelers are optional elements. As far as Move categories are concerned, Edmondson proposes five basic Moves: Proffer, Satisfy, Contra, Counter, and Reject. Of these, Proffer and Satisfy are the minimal units. In terms of function, they are similar to the Initiation and Response categories used in other discourse studies and the first and second pair parts used in conversation analysis.

The **Proffer** (PR) is characterised as the first of two elements and initiates an Exchange. In using a Proffer, the speaker must implicitly convey to the hearer what comprises an acceptable response. The **Satisfy** (SAT), being the second part, acts as a response to the Proffer and by definition, produces an outcome. It communicates to the hearer that his perlocutionary intent has been successful. Satisfies are the only element that can terminate an Exchange (Edmondson, 1981:86-87). Examples of both these Moves and their basic elements are illustrated below.

[1]	685	PS:	(b) so hang on áh/ . I put down your order/	PR
	686	DL:	m-hmm/	SAT
	687	PS:	order for <i>H háh/</i> one thousand case/ .	PR
			[right/	appealer
	688	DL:	m-hmm/]	SAT
	689	PS:	(a) cash on delivery/	
			(b) the remaining two thousand/ you will give me: a . a	PR
			bank guarantee to cover the amount lah/	
			[háh/	appealer
	690	DL:	yah/]	SAT
	691	PS:	okay/	uptake
			now e:r .. there must be a period	PR
			áh/	appealer

[2SS]

In addition to the basic concept of Satisfy, it is proposed that there are four different sub-categories of Satisfy that emerge in the analysis of the data. These are differentiated as *full*, *implied*, *non-* and *zero* (\emptyset) Satisfies. With **full Satisfies**, the outcome of the Exchange is clearly indicated in the illocutionary force of the Satisfy. An example of this Satisfy can be seen in extract 1. That the Satisfies in 686, 688, and 690 are full Satisfies can be established from the context. As this is a sequence clarifying a previously discussed issue, the utterances "m-hmm" and "yah", are clear statements of agreement. For example, the Satisfy in 686 could be paraphrased as "okay", and the Satisfies in 688 and 690 as "correct".

However, utterances such as "m-hmm" and "yah" could alternatively be categorised as **non-Satisfies**, indicated in the analysis as (SAT). Non-Satisfies are largely realised by back-channel devices (BCDs), of which "m-hmm" and "yah" are possible realisations, which function ambiguously, and often strategically, to indicate that the illocutionary force of the utterance has been received but not necessarily accepted. Examples of this category can be found in extract 2. The Satisfies in 26 and 34 are categorised as non-Satisfies because their illocutionary force is ambiguous. So although RM acknowledges KS's Moves justifying quantities of a thousand cases, he is not necessarily accepting them. The status for such a category and its strategic deployment is supported in this case by RM's subsequent proposals based on quantities larger than a thousand cases (see 130 below, extract 3).

The versatility of these BCDs can also be seen in their use as a discourse internal act termed "Go-on" (Edmondson, 1981:152), which can be glossed as "Tell me more". Such

BCDs are not coded at Move level because they are not essentially a turn and in fact function as indicators that the current speaker should retain his turn. Distinguishing between these Go-ons and non-Satisfies can be problematic. However, other cues, such as overlapping speech or "latching"⁶ often accompany the use of Go-ons. An example of this can be found in 23 in extract 2.

[2]	22	RM:	(a) er I think we can do with this two hundred gram erm for your coffee packing and the half litre juice erm (b) half litre juice is selling well in currently in the local market here/ er mayonnaise is erm . OK but er mayonnaise we have to face strong competition from especially from Europe/ er I think there are about . our competitors we have checked about . five others are supplying to the market/=	SAT PR
	23	KS:	=m-hmm/	[go-on]
	24	RM:	(a) but . erm the taste bud of the local market is that they have been using a lot of mayonnaise/ (pause) (a) er I understand the minimum quantity erm you would sell for . each category product is a thousand cases/ is that true/	Ø PR
	25	KS:	yes for . because of the packing and shipment/ we prefer it to be in container/	SAT PR
	26	RM:	right/	(SAT)
	27	KS:	so for a thousand case . er would be a more attractive type for packing wise/	PR
	28	RM:	say [(inaudible)]	?
	29	KS:	so actually] we prefer to sell something like two thousand er cases/	PR
	30	RM:	[yah/	SAT
	31	KS:	per] each item/	
	32	RM:	the more the better/=	
	33	KS:	=but . for er a new product in this market would be I think we we are able to do it for one thousand ca[ses each/	PR
	34	RM:	m-hmm/]	(SAT)

[1SS]

The above extract also has another example of a different Satisfy, the **zero Satisfy** (Ø), which occurs when there is no verbal or non-verbal outcome to the Exchange. It is further marked by the introduction of a new topic in the next Move. An example can be found between 24a and 24b. The Proffer to the zero Satisfy being examined originates in 22b, when RM introduces the topic of market potential. As a result of the zero Satisfy,

⁶ This is a term used by Sacks, Schegloff & Jefferson to refer to a phenomenon when there is "no interval between the end of a prior and start of a next piece of talk (1974:731). It is indicated in the extracts and transcripts by the following: "="

RM introduces a new topic on quantity in 24b. In addition to the change in topic, the zero Satisfy in this case is also marked by a pause. The potentially strategic nature of the zero Satisfy should also be noted.

Implied Satisfies {SAT} are similar to zero Satisfies in that they are not verbally realized. However the difference is that the illocutionary force of the implied Satisfy is implied in the uptake of the following turn; the non-realisation of the Satisfy is in fact a case of ellipsis. An example can be seen in extract 3. In 130, RM makes a proposal which is subsequently clarified (131-132a). Then in 132b, RM asks explicitly for a response on the quantity issue. Although KS provides a response in 133, his Satisfy to RM's Proffer (132b) is only implied. Again, there is a strategic element in the use of this feature as it allows the avoidance of a categorical answer.

- | | | | | |
|-----|-----|-----|---|--------------|
| [3] | 130 | RM: | (b) e:r now er we'll be interested to take erm .
mayonnaise erm . A category/ same for the
coffee and the juice/ but e:r . the mayonnaise
erm . we want more than er . a thousand
cases/ we prefer if you can supply well say
not five thousand cases for a start erm .
maybe er three thousand cases of mayonnaise/
. and er . three cases of coffee/ and say er .
two thousand cases of er juice/ | PR |
| | 131 | KS: | you mean this is fo:r . | PR |
| | 132 | RM: | (a) for as as a start er the first order/
(b) can you do . can you do it/ is there any
limitation/ taking three three two/ in e:r . A
category/
(pause) | SAT
PR |
| | 133 | KS: | in fact . for a start basis as I as I as I plan out to you is
fo:r a thousand cases each/ | {SAT}
CON |

[1SS]

In addition to Satisfies, other acceptable responses to Proffers can take the form of a Contra, a Counter or a Reject. **Contras** (CON) imply "acting in a way inconsistent with the perlocutionary intentions of the interlocutor" (Edmondson, 1981:87-88). In using a Contra, the speaker can be seen as attempting to get the hearer to withdraw his/her preceding offer. **Counters** (CTR) are similar to Contras in that they are also a means of getting the preceding move altered or amended. However they are different in the effects they produce. It is a Contra if the move between the Proffer and Satisfy resolves the original Proffer; if, in other words, the same topic is retained. A Counter arises when it is

Satisfied and the preceding Proffer is not withdrawn, but is modified or amended; in other words, when a different topic is introduced. Examples of both Moves are illustrated in the following extract.

- | | | | | |
|-----|-----|-----|---|-----|
| [4] | 482 | RM: | (b) we're taking a big risk erm coming to the B category itself/ a great loss to: us already right now/ | CON |
| | 483 | KS: | we can't/ we can't make that I mean we we we can't . we can't because of a thousand cases/ . [and | CTR |
| | 484 | RM: | ah] well we can always take more than a thousand it's no problem to us/ | CON |
| | 485 | KS: | this is for trial I think we I I [I I | CON |
| | 486 | RM: | er we] are very confident that we can take/ er whether it's trial or no trial we can take/ . the minimum quantity up to you two thousand three thousand/ it's no problem/ | CON |

[1SS]

In 482, RM supports his proposal based on profitability. However, in responding to his Move in 483, KS changes the topic and introduces the topic of quantity. The Move is thus classified as a Counter since the topic has been changed and RM's preceding Move is implicitly questioned. In the same way, the remaining Moves (484-486) also attempt to get the preceding Moves withdrawn. However, because the same topic of quantity is retained, the Moves are classified as Contrasts.

The final category **Reject (REJ)** occurs when there is non-occurrence of up-take which Rejects the preceding move as a communicative act. This implies that the preceding move was not conversationally licensed (Edmondson, 1981:88-91). An example is presented below.

- | | | | | |
|-----|-----|-----|--|---------|
| [5] | 257 | PS: | now] what are the people you are serving/ are they the ah the the expat the the upper income group or the lower income group/ . because I have to look at the saleability of the products . so I can recommend to you which one you should go for/ | PR |
| | 258 | DL: | n- that that one I'll take care of myself you know the | REJ |
| | 259 | PS: | [you can/ (pause) | PR
Ø |
| | 260 | DL: | saleable] saleability/ | |
| | 261 | PS: | [okay/ | SAT |

[2SS]

In 257, PS asks DL about the market profile of the product in question. However, DL decides that PS's query is not appropriate and tells him so in 258. PS accepts DL's position in 261.

3.3.3 EXCHANGE STRUCTURE

According to Edmondson, the Exchange is the minimal unit of social interaction and in its simplest form consists of at least two interactional Moves, a stimulus and a response. It is at this level that turn-taking operates (ibid:86). Several distinct Exchange structures emerge in the data and these are illustrated here. The two basic structures are the *chained exchange* and *progressive exchange*, while the subordinate structures are the *Pre-responding exchange*, the *Pre-exchange*, the *Post-exchange* and the *Mid-move exchange*.

The first structure illustrated is a *chained* pattern, which is a series of Proffer-Satisfy Moves. An example is presented below. This example of the *chained* structure occurs in the opening section of the negotiation where the participants are involved in eliciting and providing information about each others' companies in order to establish whether they share the same approaches and outlooks on business. (The bracketing indicates the linkage between the Moves, single-headed arrows indicate outcome, double-headed arrows indicate linkage is continued).

[6]	PR	20	AM:	but er no/ last few years have been fairly successful/ not too bad/ e:r you know that we do a fair amount of business with other people/
	[go-on]	21	LB:	yes/
	PR	22	AM:	and er . you're one of the ones we haven't been able to do anything with/
	SAT	23	LB:	right/ . well the supermarket chain that I represent is . seems to be growing/ supermarkets er seem to be er consolidating in Singapore and er under . one or two main groups and er and I think we probably represent one of the two largest groups/ .
	PR	24	AM:	how how do you find your other competitor/ .
	SAT	25	LB:	he's e:rm . fairly aggressive/ e:rm . we're finding that erm . shelf prices really/ one has got to keep an eye on them/ . erm . I would say that business is a lot more er competitive than it was erm . two or three years ago/ although it's not as competitive as it was five years ago/
	[go-on]	26	AM:	mm/

SAT	27	LB:	things things haven't been too bad for the last couple of years/ . I'd say that probably erm the palate of the local . people is er beginning to erm . become more and more westernized/ so hence the growth in .. supermarkets/ [shelf products/	
PR	28	AM:	do you think] . is this aggression due to er . lower retail prices/ . or just a general change [in	
SAT	29	LB:	I] think it's just a general change in palate really/ .	[1BB]

The other basic pattern, the *progressive* structure, is a Proffer-<Counter/Contra>⁷-Satisfy form. The extract below, taken from 2BB, illustrates an Exchange in which buyer (KB) and seller (BH) are discussing where to pitch the coffee product. The seller opens the Exchange in 144 by introducing the range of qualities on offer before suggesting which range would be suitable for the buyer's customer profile in turn 146b. This topic is retained over several turns till the seller introduces the topic of pricing in turn 164.

[7]	PR	144	BH:	OK well I think the: er . I think the instant coffee y-you know splits itself into . to two areas/ you can get the very cheap sort of stuff which . er seems to go in all the . machines that you have/=	
	[go-on]	145	KB:	=mm/	
	PR	146	BH:	(a) or you you can go for the higher grade granules/ . now we can do either of these/ it's up to you which you want/ whether you have the . the the powder or the granules/ . (b) and I guess that with your split of supermarkets/ . you're going	
	[go-on]	147	KB:	[mm	
	PR	148	BH:	to] say well OK for s- for our expatriates/ . who've got the . the larger incomes we perhaps want some of that/ and for the for the er other er area area shops that you have/ you probably want to go for the: for the down market . cheaper . e:rm powdery granules if you like/ ..	
	CON	149	KB:	yes/ I think our feeling on that is that we're not actually looking to have . too many different . lines/ fundamentally the way we've analysed the market is that fundamentally the local market . er which is where we're really targeting most of our business/ tends to be a tea drinking market rather than a	
	[uptake]	150	BH:	[ri:ght/	
	CON	151	KB:	than a coffee] drinking market/	
	CON	152	BH:	although that's changing I believe/	
	CON	153	KB:	(a) it is changing to an extent/ but I think er the volumes/ . (b) and after all we are talking volumes here/	
	PR	154	BH:	[ye:s/	
	SAT				

⁷ The brackets < > indicate the potential for either Contra and/or Counter Moves to follow each other, theoretically, ad infinitum.

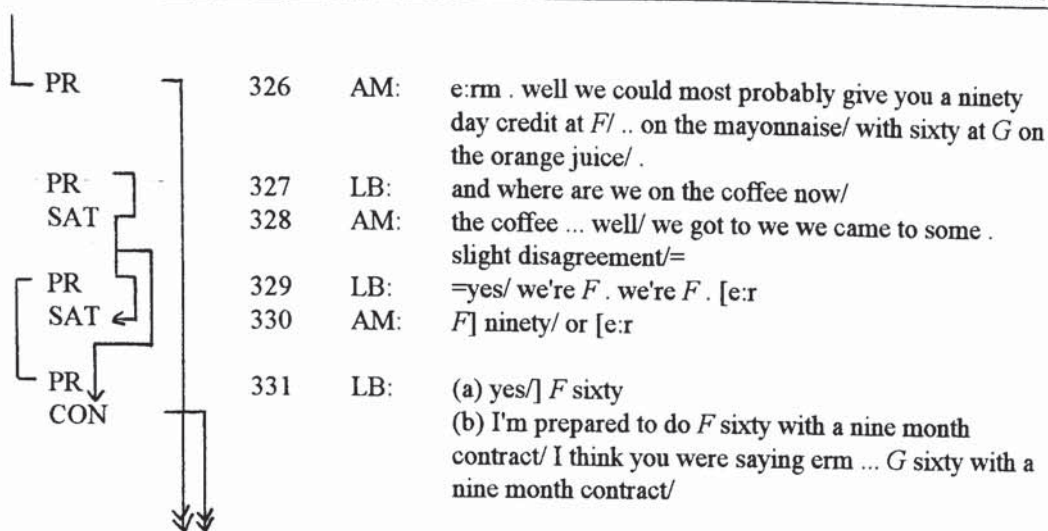
CON	155	KB:	the volumes] I think er . er basically tend to be with tea and so we'd be looking . probably to position this one slightly higher/
[go-on]	156	BH:	mm/
CON	157	KB:	erm . so that er we could then start attracting some of the . er the expatriate . market/ so we don't see this as being a huge volume/ . and therefore we would be looking at quality probably not necessarily own brand/ probably a a famous brand/ .
?	158	BH:	[are you er
CON	159	KB:	I mean an inter]national brand/
[uptake]	160	BH:	yah/ yah/
CON	161	KB:	so that that would be something which would be internationally recognisable would probably be up i-in the quality/
[uptake]	162	BH:	well [the you know
CON	163	KB:	or or] middle quality sort of areas/
CTR	164	BH:	yah that probably re-restricts our ability to . flex the price too much/ . because obviously the there are there are set patterns for pricing . of the national a-and the international . er products/ ..
CON	165	KB:	yah/ well/ we can we can look at that I mean certainly if from our point of view we would probably be able to er . to secure . slightly better pricing on that than we would be able to do for example with e:r with tomato sauce/
[uptake]	166	BH:	[yah/ that's
CON	167	KB:	but . e:rm]
[uptake]	168	BH:	yah=
CON	169	KB:	=but at the same time obviously we'd still be looking to maintain our margins wherever possible/ . but it'd be certainly it'd be the larger granules we'd be looking for/
(SAT)	170	BH:	OK/ .

[2BB]

The topic of pricing is retained for the rest of the Exchange, which is closed a few turns later by the seller's indeterminate Satisfy in 170.

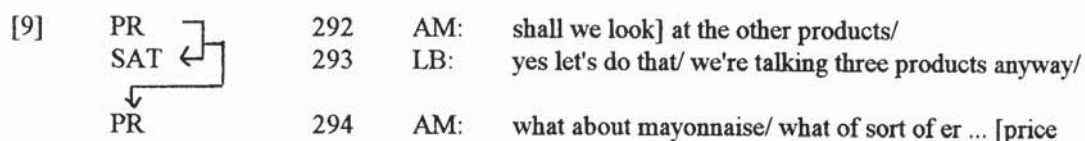
Three subordinate Exchanges are identified by Edmondson (1981:100-108). The first to be described is the **Pre-responding Exchange**. It is inserted within an Exchange and can follow any Move except Satisfies. Referring to extract 8, an example can be seen between turns 324 and 331b, where the LB initiates a Pre-responding Exchange in order to clarify the current position before responding in 331b.

[8]	PR	324	AM:	on the orange juice I would be look I mean if you were looking for sixty days I would be looking more at er . most probably G plus sixty/ .. e:r . I would have thought that .. to help you out you would prefer longer credit o:n the mayonnaise/ than the orange juice/
	[go-on]	325	LB:	right/

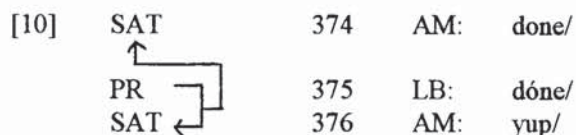


[1BB]

Other subordinate structures are **Pre-exchanges** and **Post-exchanges**. As the terms indicate, these occur respectively before and after the main or Head Exchange. Examples of these patterns follow with the Pre-exchange being illustrated first in extract 9, and the Post-exchange illustrated in extract 10:

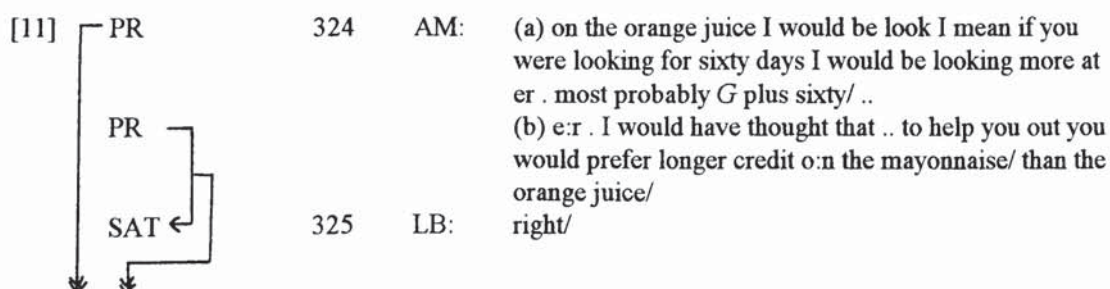


[1BB]



[1BB]

The final subordinate Exchange is a **Mid-move Exchange**. This structure is not discussed in Edmondson's (1981) model, but occurs to a limited extent in a few of the negotiations. An example can be seen in extract 11, where AM interrupts his Proffer in 324a in order to check the assumption on which his Proffer is based. This is done in the Mid-move Exchange between 324b and 325.



	326	AM:	e:rm . well we could most probably give you a ninety day credit at F/ .. on the mayonnaise/ with sixty at G on the orange juice/ .	[1BB]
--	-----	-----	--	-------

It should also be noted that these subordinate Exchanges can also be realized by *progressive* structures, in addition to the *chained* structures illustrated in extracts 8 to 11.

3.3.4 SEQUENCE STRUCTURE

Moving to the level of Sequence and other levels beyond this, where topic becomes relevant, it is to be expected that the categories that emerge are event-specific. This can be seen in the types of Sequences proposed below which are specific to sales negotiations. In addition to identifying Sequences in terms of topic, their boundaries can also be identified by the structural and cohesive features described by Coulthard, Montgomery & Brazil (1981:27-30). Examples of these are lexico-referential cohesion, the repetition of words across turns; the occurrence of synonyms, antonyms and hyponyms; as well as the use of discourse markers. Sequence boundaries are also co-terminous with Exchange boundaries.

In all, eight Sequence types are identified. Six of the Sequences deal with substantive issues and are categorised as *add-on services*, *business operations*, *contract terms*, *market potential*, *product information* and *proposal*. The seventh deals with the interpersonal dimension and the categories are marked *positive* and *negative solidarity*. Finally, the eighth, *procedure*, is a metalinguistic category describing talk which focuses on the direction the discourse should take. Each Sequence category is discussed in this section, illustrating the structural and cohesive features that mark them.

To begin with, ***add-on Sequences*** are defined as discussions which focus on the additional services which are sometimes included as part of the package deal negotiators tend to work with. These include issues such as *branding*, *promotions*, *delivery* and *storage* (see Table 10). The following extract is an example of an *add-on* Sequence dealing with the issues of *branding* (245-250) and *promotions* (251-261). This extract

TABLE 10: Definition of Sequences and Issues

<u>Sequence Categories</u> (Issues)	<u>Definitions</u>
add-on services (AS) branding promotions delivery storage	discussion about additional services provided with the products details about brands; if own-brand customising of product/packaging promotional activities eg. sampling, newspaper/TV advertisements delivery services storage facilities
business operations (BO) company performance company practice negotiation criteria type of relationship	discussion of negotiators' attitudes to and practice of business, negotiation, and relationship with the other how the company is doing, the range and size of operations, credit-worthiness discussion regarding management policies such as profit margins, risk factors, opportunity costs, financing relative importance of criteria eg price, quality, packaging, credit, service, commission etc expressed relationship between buyer and seller eg. win-win, long-term, test market, exclusive rights; also buyer's/seller's relationship with current business partners
market potential (MP) customer profile customer preference product status product turnover	discussion about the appeal of the product to its target group discussion about the type of products that attract particular markets discussion about the product qualities that suit customers' preferences/loyalties discussion about the standing of the product in the market discussion about the time it takes products to move off the shelves
contract terms (CT) length quantity payment pricing	discussions about the terms of the contract details about the length of contract details about the size of contract details about the kind of payment eg. cash on delivery, length of credit, interest rates details about pricing of products which do not amount to a proposal, eg. pricing policies, stability of prices, price schedule
product information (PI) packaging quality production supply	discussion about specifications of products under discussion details about the packaging of product, eg. tinned, vacuum-packed etc. details about the quality of product, eg. taste, texture, fresh vs long-life, premium vs standard, varieties available details about how the product is manufactured, eg. manufacturing process, time and production restrictions for upgrading products details about the supply of product, eg. shipping schedules, local vs. imported materials, supply restrictions, costs
expressions of solidarity (ES) positive solidarity negative solidarity	discussion that focus on the interpersonal dimension jokes, phatic talk, expressions of goodwill challenges to individual's status eg. questioning individual's motivations, autonomy
procedure (PRO) compromise clarification summary plan	discussion about the negotiation and/or the direction it should take discussion about how the negotiators can be more flexible in order for the negotiation to proceed discussion to clarify positions, to sort out possible misunderstanding of positions discussion summarising positions discussion about how to proceed

occurs as the negotiators are discussing the juice product. Having discussed the quality of the juice, KB moves the discussion on to how he intends to market the product.

- [12] 245 KB: but I would describe thi- our approach to this one basically a thing a me-too . a a me-too brand/ really/
 246 BH: yah/
 247 KB: [erm
 248 BH: yes/] yah/=
 249 KB: =we'd be e:r I think we'd be looking definitely for our own brand/ .. on that one which which we would erm .. pursue through through the local . local press/ .
 250 BH: yah/
 251 KB: and erm and we'd be looking for some advertising help . with that/ on the same sort of basis/ . that we discussed earlier/ although . I suppose on that one the TV . the TV side in fact is something which goes quite well/ .
 252 BH: and costs a fortune [of course/
 253 KB: and costs] a fortune/
 254 BH: (laughs)
 255 KB: [I:
 256 BH: I think] that er providing you er your your promotion within the store . er coincides with . and obviously it would coincide with the . TV advertising/ .
 257 KB: [mm
 258 BH: I think] you'd get a tremendous impulse sales/ .
 259 KB: [hmm/
 260 BH: from that] anyway/ ..
 261 KB: right OK/

[2BB]

Some of the features that identify the above Sequence are the use of logical connectors eg. "but" (245) and "and" (251), which mark the boundaries; while sentence continuation (251, 252); syntactic parallelism (252, 253); lexico-referential cohesion eg. "brand", "TV", "advertising"; and synonymy eg. "advertising", "promotion" provide coherence to the Sequences.

Business operation Sequences are discussions that focus on policy decisions concerning the negotiation criteria, the negotiators' relationships with their (potential) business partners and the running and performance of their businesses. The issues dealt with in these Sequences can be categorised as *company performance*, *company practice*, *negotiation criteria* and *type of relationship* (see Table 10). The extract below, which follows immediately from the opening greetings, illustrates a Sequence dealing with two issues: *type of relationship* (turns 7-13a) and *company performance* (turns 13b-15).

- [13] 7 BB: and . I'm aware . from e:r . the earlier discussions/ . between your staff and mine/ . that indeed you have a potential interest . in doing business with us/ . in respect of . chilli sauce/ . tinned sardines/ . and tea bags/ .
- 8 AL: that's right that's right/ . in in fact e:r . we are not just considering three items er if . it can get e:r . e:r negotiate a good deal/ we may even . look further into other products as well/
- 9 BB: excellent/ . that's what we like to hear/ because in fact . we cover a hundred and twenty-nine . different products/
- 10 AL: [m-hmm/
- 11 BB: within] our company/ . and whilst . all of them . are not of particular interest perhaps to the Singaporean market/ . I'm sure we do have other products that we can interest you in/ .
- 12 AL: [mm
- 13 BB: (a) if] indeed we're able to gain your confidence . with the particular order in question/ .
(b) perhaps I could just tell you a little bit about our company/
- 14 AL: m-hmm/
- 15 BB: we are: . indeed a subsidiary here . of a United Kingdom . parent company/ . but . from Singapore we do cover . the: er south-east Asian market/ . and in fact . our responsibility goes . as far as Tokyo/ . and down to Australia and New Zealand/ .

[3BS]

The initial boundary of this Sequence is marked by the discourse connective "and" (7), which according to Schiffrrin (1987:139) "can also differentiate discourse topics at a global level". The move from one issue to another within the Sequence is marked by a procedural remark "perhaps I could tell you ..." (13b). Other features marking the cohesion of this Sequence are lexico-referential cohesion eg. "product"; anaphora eg. "three items" (8); and finally, lexical paraphrase eg. "doing business" (7) with "negotiate a good deal" (8).

Another Sequence category found in negotiation discourse is *market potential*, which is talk dealing with the appeal a particular product has for its intended market. The issues that recur in these discussions centre on *customer profile* and *preference* as well as *product status* and *turnover* (see Table 10). The extract below, illustrating a Sequence dealing with the *customer profile* of tomato sauce consumers, follows immediately after discussions about the product itself.

- [14] 206 RP: (a) mm/
(pause)
(b) I see this has . modified edible starch in it/ . erm . our experience is that our . expatriate customers . and those locals in the higher income brackets/ .
- 207 BB: [m-hmm/
- 208 RP: tend to] be put off by . seeing . ingredients such as that/ .

- 209 BB: m-hmm/
 210 RP: and that reduces the . price we can sell at/ .
 211 BB: yes/ . can I ask you one question . concerning that
 212 RP: [mm/
 213 BB: to]mato sauce/ were you proposing to . sell . in your own . name/ . again
 to be specially labelled . with . your name on the product/ .. because . one
 comment I will make if that was your inten[tion/ .
 214 RP: mm/]
 215 BB: (a) again we've conducted ex- extensive test marketing here in
 Singapore/ . and the one thing we have found is that er . your . expatriate
 . and the rather wealthier Singapore citizen . is . unlikely . to move away .
 from his Heinz tomato sauce brand/ .
 (b) it's a . it's an oddity/ . but the . the brand confidence of the consumer/ .
 particularly in relation to a product like tomato sauce/ . is powerful
 indeed/ .
 (c) and we have to say to you that we do not really think . that . the
 particular . sauce I have there/ . with your label on/ . would sell . readily .
 to: the: wealthier . person . who is shopping in your stores/ .
 (d) we think the bulk of sales . will be . to the average/ .
 216 RP: [mm/=

217 BB: =Singaporean in the street/ .

218 RP: mm/ . I see/ .

[3BB]

In the case of this example, the initial Sequence boundary is marked by a pause in turn 206. In addition, the cohesive features identifying the Sequence can be seen in the use of anaphora eg. "that" (211), "this" (206b) and "there" (215c), referring to the bottle of tomato sauce; lexico-referential cohesion eg. "expatriate", "Singapore(an)"; and synonymy eg. "Singaporean"/"local", "higher income"/ "wealthier".

Contract term Sequences are discussions dealing with issues such as the *length* and *quantity* of the contract and the *pricing* and the *payment* terms (see Table 10). The following extract illustrates a Sequence dealing with the issues of *length* (66-67a) and *payment* (67b-77), which follows immediately after discussions about the quality of the products.

- [15] 66 AM: so how much/ how long a contract are you looking for/
 67 LB: (a) well as I say we I mean we usually e:rm: like to tie things up for six
 months to one year/ . erm very much depends on . on the price . as to
 whether we go for six months or for one year/ . erm: .
 (b) and when we have to discuss payment terms that would come into er .
 into the calculation erm/ .
 (c) I assume you give some . some credit/ .
 68 AM: some/ .
 69 LB: [yeah/
 70 AM: erm] a lot depends on past performance of the client/
 71 LB: right/
 72 AM: e:r . but . with a company like yourself/

- 73 LB: mm/
 74 AM: with the reputation that you have/=
 75 LB: yeah/=
 76 AM: er I'm sure that we can come to some agreement/=
 77 LB: =right well we'd be quite happy to provide financial information/ . er
 should you er . should we come to talk about credit terms/

[1BB]

The initial boundary of the Sequence is marked by the connective "so", which can be used to mark topic transition as well as participant transition (Schiffrin, 1987:219), while the transition from the *length* issue to the *payment* issue is marked by the connective "and". Other features marking this Sequence are lexico-referential cohesion eg. "credit"; and the use of words from the same semantic field eg. "long"/"six months"/"one year", "past performance"/"financial information".

A further category of Sequence that deals with substantive issues is *product information*. The issues which occur in this category of Sequences are *packaging*, *quality*, *production*, and *supply* (see Table 10). The following extract is an example of a *product information* Sequence focusing on the issues of *packaging* (36b-46b) and *quality* (46c-55). It is a continuation of an earlier *product information* Sequence dealing the *packaging* issue (24-35a) which is briefly interspersed with a short *add-on* Sequence (35b-36a).

- [16] 35 AM: (a) and the tin salmon comes in just one size/ . and that would be two hundred and fifty grams/
 (pause)
 (b) mmm would you require your own . brand labelling/ or would you want to use our brand labelling/ .
 36 RM: (a) er . yes we'll we can use your label/
 (b) but just inquiring on the cheese block half pound ah/ what kind of packaging will you all be using/ .
 37 AM: that would be: er vacuum packed/
 38 RM: right/=
 39 AM: =polythene/ .. plastic/ erm ..
 40 RM: and the salmon is it in a . what sort of packaging/
 41 AM: that would be in a tin/
 42 RM: is it round or . what
 43 AM: [er yes
 44 RM: er I] thought there are two . two types/ round=
 45 AM: =it's a round tin/
 46 RM: (a) it's a round tin right/ ..
 (b) yah basically we're interested in the tomato sauce glass bottle packaging two hundred grams/ . and the cheese block half pound/ . and . salmon in the round packaging tin two hundred and fifty grams/ .
 (c) you have er . certain grades for this/ or . just
 47 AM: we can supply different grades/
 48 RM: [right/

- 49 AM: diffe]rent qualities if you wanted/ . e:rm . the tomato sauce is . is either
normal/ or chilli based/ .
- 50 RM: yup/ ..
- 51 AM: the cheese/ .. we find that the best seller is a straight cheddar/ .
- 52 RM: m-hmm/ right/
- 53 AM: erm but we can supply . Stilton/ . or a Danish blue/ .
- 54 RM: m-hmm/
- 55 AM: and the salmon/ . is er pure Scottish . salmon/ ..

[1BS]

The initial boundary marker for this Sequence is the connective "but", used in this instance as a functional contrast (similar in use to *anyway*, see Schiffrin 1987:165) in order to return the talk to the issue of *packaging*. The Sequence is also marked by the use of lexico-referential cohesion eg. "packaging", "different", "round tin"; hyponymy eg. "vacuum packed", "glass bottle packaging", "tin"; anaphora eg. "that" (37, 41).

The last category of Sequence dealing with substantive issues are buyer and seller *proposals*. *Proposals* consist of an offer of price or credit and *rationales* which support that offer. *Rationales* are arguments used by the negotiators to strengthen and develop their *proposals*. These arguments are essentially based on the issues outlined in Table 10. An example of a *proposal* Sequence, which follows a short *business operation* Sequence, is presented below. The *rationales* are bolded and the offers are underlined. As can be seen in the extract, HC's initial offer (7) is based on the issue of *company practice* (a). AL counter-proposes in 10, supporting his position with the *pricing* issue (b). Subsequently in 13, HC provides further *rationales* for his position employing the issues of *product status* (c), *product turnover* (d), and *branding* (e).

- [17] 7 HC: so er . ^(a)**according to my figures** ér/ . mm . I think er . prices for tomato sauce coffee and juice ér/ . er price I would seem a . reasonable price/ what do you think Mr Lee/ .
- 8 AL: for which product/ .
- 9 HC: er . all three/ .
- 10 AL: all three/
er . er I I'm afraid that . this is far . far much . ^(b)**more expensive than . the er . comparable brands** of the same product/ . that we get from er . present . suppliers/ in fact . er if I were to . to let you know . what . we currently er . have for our suppliers/ . is er for for tomato sauce/ . we are . we are getting a price of around B/ .
- 11 HC: B/ .
- 12 AL: right/ . now er . in coffee/ . B/ . juice B/ . and this er is based on er . on three . three months . credit/ . er basis/ and . on a order of one time order of er . thousand cases each/ . so er . I see that er . the ^(b)**prices that differ markedly** (sic) from . what . what it what is the er . current market prices

- offered by other suppliers/ may be . you could er . er look through . and see . how you could er . deviate the the prices so much from . the other suppliers/ .
- 13 HC: er . I think . the other suppliers are different from us in the sense that .^(c)**our brands are really well-known/** and . ^(d)**they sell well/** . I can show you sales figures of . er other supermarkets which which we are supplying to and you can see from . there that you know . our brands really sell well/ . and we . we also ^(e)**specially package our . er foods according to your specifications** to fit the needs of your customers/ . I'm sure you have a . wide range of customers with er dif- different taste and . so on/ . so we can . specially . package our our products to meet your needs/ . for example/ . er . tomato sauce/ . er we can give you . a taste which is either . sweeter or a more tart taste if you prefer that/=

[3SS]

Like the extract from 1BB illustrating the *contract term* Sequence, the initial boundary marker in this Sequence is the connective "so". Other features marking this Sequence are syntactic parallelism eg. "all three" (9, 10); lexico-referential cohesion eg. "price", "coffee", "tomato sauce", "juice", "suppliers", "brands"; anaphora eg. "this" (10).

In addition to these discussions of substantive issues, there is the interpersonal dimension (Halliday, 1970) that needs to be included. This factor is also recognised in the negotiation literature (McCall & Warrington, 1984:4, 15-16). For the purpose of this analysis, the interpersonal dimension is realised in the issue of solidarity. This is conceived as being based on "similarities that make for like-mindedness or similar behaviour disposition" (Fowler, 1985:63).

Positive solidarity involves recognising the individual's personal status (as opposed to the company's status) where the discourse topic is, for example, a joke, phatic talk, expressions of goodwill and altruism. An example of such a Sequence can be seen in extract 18, where the Sequence is clearly marked by the procedural remark "just as a digression" in turn 211:

- [18] 211 KB: I I it's important] I just as a digression I can remember the sausage business in er . in er in New Zealand/ . and because it's a sheep . a sheep country or a or a lamb or a mutton country/ . didn't matter whether you had beef pork or
- 212 BH: (laughs)
- 213 KB: or or lamb sausages they were all lamb/
- 214 BH: (laughs) they were all lamb/
- 215 KB: with an essence of beef or an essence of whatever it is in it/
- 216 BH: [yeah/

[3BB]

In most other instances, however, such Sequences are often not initially marked by topic transitions since they are frequently quick 'asides'. Also, in many cases, to do so would be to spoil the effect of the joke. Instead, a more consistent marker can be found in the response of laughter which often closes the Sequence. This can be seen in the example in BH's response in turns 212/214. Similarly, this is also illustrated in extract 19 in turn 97 where LB responds with laughter to AM's comments about his Malaysian capabilities:

- [19] 92 AM: we use to er source from South Africa/ . but because of the problems there
93 LB: right/
94 AM: decided against it/
95 LB: yes I suppose that it would affect your Malaysian erm . capabilities/
96 AM: my Malaysian capabilities went through the floor/
97 LB: (laughs)
98 AM: and er . pretty tough negotiation/
99 LB: mm/
100 AM: er trying to get back in there/ .

[1BB]

As far as negative solidarity is concerned, such Sequences tend to involve talk that challenges or undermines the individual's status. In these instances, the topic focuses on, for example, the opponent's motivations and autonomy. The extract below illustrates an example of negative solidarity which is clearly marked by an apologetic forewarning "you pardon me for being a bit offensive" in turn 100.

- [20] 100 AL: I I I . I may add] that I I I ma:y you pardon me for being of- e:r a bit offensive/ .
but you come here and you say your product is good and you didn't even bring me
samples/ I do not know h- what . products look like/ . and you're quoting me [at
such a price . how will I be able to
101 HC: if .. our well-known brands/] . you . do not tell me you don't have . [some in your
house
102 AL: I don't have (inaudible)]/
103 HC: some in your house/ I'm sure] you you have . you have consumed some in your
house

[3SS]

In another example in extract 21 below, the Sequence can be identified by the parallelism of “you’re really pressing me” and “I’m not pressing you” as well as the lexico-referential use of “pressing”.

- [21] 369 KS: you're] really pressing me Ronnie I mean=
370 RM: =I'm not pressing you/ it's a matter [of er . plus plus and minus

[1SS]

Most instances of negative solidarity, however, are not as clearly marked as in the previous examples as to do so in fact intensifies the face-threatening act. Furthermore, it could also initiate a potentially counter-productive slanging match. Instead, negative solidarity tends not to be discursively marked. This is illustrated in the following extract where HC's questioning of AL's honesty in turn 219 is ignored.

- [22] 217 HC: I'm sure even at the prices that . I'm giving you you're still making some money
maybe less only Mr Lee: .
218 AL: [losses
219 HC: let's be] honest let's be honest Mr Lee/ .
220 AL: [losses
221 HC: I'm sure] you're you'll be making some [money/
222 AL: no we're] talking .. losses/ . and opportunity cost/ . cost . that er is way above
[what we prepare/
- [3SS]

The final type of Sequence, the metalinguistic category of *procedure*, focuses on four different categories of talk namely *compromise*, *clarification*, *summary*, and *plan*. An example of such a Sequence focusing on *clarification* (675b- 685) and *summary* (685b- 690) talk is illustrated below. It follows a *proposal* Sequence dealing with the payment of the order (partially illustrated between 672-674): PS initially wanted DL to pay for three thousand cases upfront, while DL wanted to pay only for the initial delivery of one thousand. DL then makes a compromise offer of a guarantee.

- [23] 672 DL: get a get . give you a guarantee of something lah/ . [háh/
673 PS: a gua]rantee of three thousand/ .
674 DL: (a) two thousand la:h/
(b) one thousand I will pay/ . you know/ I will pay when I get it lah/ the
other two thousand/ . you cover the warehouse costs right/ . and then e:r .
give you a guarantee of something lah/ you know
(c) that one no problem lah that one/ . huh/
675 PS: (a) [no problem/
(b) so you give me a a: .
676 DL: that's no problem yah/ all I need is the one thousand]
677 PS: a guarantee/ a guarantee . for for for . three thousand lah/
678 DL: [two thousand/ I'll pay one thousand lah/
679 PS: no you pay one thousand/ now/ then] the guarantee for two thousand lah/
680 DL: m-hmm/ ..
681 PS: okay fine/ the deal is [off/
682 DL: u-huh/]
683 PS: okáy/
684 DL: m-hmm/
685 PS: (a) huh/] .
(b) so hang on áh/ . I put down your order/
686 DL: m-hmm/
687 PS: order for H háh/ one thousand case/ . [right/

688	DL:	m-hmm/]
689	PS:	cash on delivery/ the remaining two thousand/ you will give me: a . a bank guarantee to cover the amount lah/ [háh/
690	DL:	yah/]

[2SS]

Both the *clarification* and *summary* Sequences are marked by the connective "so" while the latter also employs the use of a procedural remark (685b). The *clarification* Sequence is also identified by the use of lexico-referential cohesion eg. "guarantee", "thousand"; the use of words from the same semantic field eg. the numerals "one", "two" and "three"; as well as lexical paraphrase (678, 679). The other identifying feature of the *summary* Sequence is the syntactic parallelism between "right" and "m-hmm" (687, 688) with "háh" and "yah" (689, 690).

3.3.5 TRANSACTION STRUCTURE

As with the categories described at the level of Sequence, the different types of Transaction proposed in this section are specific to business negotiations and are also defined according to the concept of discursual topic. However, in contrast to the more local development of topic found at Sequence level, the categories described in this section tend to reflect a more global organisation of discourse topic. Two basic types of Transaction are proposed - *review* and *bargaining* - each dealing with the most fundamental functions of the negotiation process: understanding the other party's position and eliciting movement from the other party. These categories are supported by the negotiation literature (Putnam & Jones, 1982b:263).

Review Transactions tend to precede *bargaining* Transactions and, as the term implies, review various issues relevant to the negotiators. In all, it is postulated that there are three categories of *review* Transactions: *background review*, *contract review* and *product review*. Defining the categories at this level of abstraction is problematic. However, there is support for these categories in the recurrence of similar Sequence categories within the same Transaction, which could be said to be similar in nature to the lexico-referential cohesion found at Sequence level. Further support can be found in the procedural remarks made by the negotiators which indicate that they orientate their discourse according to these broad categories. Finally, some *review* Transactions are also

distinguished by the boundary markers discussed in the previous section since Transaction and Sequence boundaries are co-terminous. Each of the Transactions will be discussed in turn beginning with *review* Transactions.

Background review Transactions are the stage in which potential business partners try to get a sense of who they are dealing with. It is also an opportunity for them to share their business philosophies and approaches with the other party in order to establish common ground. The main topics discussed in this Transaction tend to focus on issues such as how well the negotiators' respective companies are performing, the kind of relationship they hope to establish, the criteria they consider to be important in the negotiation etc. and thus tend to be dominated by *business operation* Sequences. *Background review* Transactions also include Sequences discussing *market potential* and *product information* when the issues are discussed in terms of establishing whether there is correspondence between the services being offered and those that are required.

The notion for such a Transaction can be found in Exchanges during which negotiators make explicit the need for some common understanding of the goals of the negotiation before proceeding with other details. This can be seen in the example below. The extract opens with BH, the seller, attempting to check his understanding of the buyer's position by, firstly, summarising the latter's operations (4a) and, secondly, seeking clarification on the buyer's interest in the products on offer (4b). The buyer takes up the first issue by developing his company's market segmentation (7). However, before he presents his company's basic positioning, he comments that spelling out "what we're doing and what we're trying to achieve" is a necessary first step (5).

- [24] 4 BH: (a) and .. I understand you .. your your your organization is really split amongst the: er . the high and low income . groups/ so . perhaps we can . help you there with er . with our particular . brands that we've got/
- 5 KB: (b) and perhaps I suppose the first thing I should ask you is that if you're . if you're in the market for these particular sort of . products/ well/ ah yes I think it's important . first of all that . before we er . we get down to the nitty gritty I think it's important that we just spell out exactly what what we're doing and what we're trying to achieve/
- 6 BH: OK/
- 7 KB: erm . er because I think we need to er to set out . our position clearly/ in terms of our market segmentation/ . and who we're trying to aim at/ .

[2BB]

In subsequent Exchanges, KB, the buyer, elaborates his supermarket's basic approach to market segmentation, concluding with a summary of this position in turn 13. It is only when this is done that he is willing to proceed to talking about the actual products (15).

- [25] 13 KB: (b) so I think . er I think that's fundamentally where we stand
 (c) we're after the . the middle . the middle income/ Singaporean
 business/ which hopefully by selling quality products we'll also spill up-
 uphill as well as downhill a little bit/
 14 BH: m-hmm/
 15 KB: (a) erm .. at the moment we . we're currently . obviously we're selling the
 the same type of products that you're er you have on offer/ . erm . we're
 buying Italian tomato sauce and Kenyan coffee and Californian . frozen
 juice/ . and . and it's also important therefore to understand the different
 quality of the products that you're . er you're selling
 (b) if we could come to the tomato sauce/ .

[2BB]

Further support for this Transaction can be found in other negotiations. The following extract illustrates the conclusion of a fairly long *background review*. During this Transaction the negotiators also attempt to establish common ground, this time by discussing their philosophy of doing business (building up a relationship vs making a quick profit). They eventually arrive at some consensus (39-46a). It is only at this point, after DL observes that they "may be able to do business after all" (46b), that he initiates a discussion about the products in question (48).

- [26] 39 BH: I don't think we're we're talking of a quick profit/ we're we're really
 talking of long term relationship/
 40 DL: mm/
 41 BH: a:nd . but I I guess business has to be good for both of [us you know/ I
 mean
 42 DL: ye:s yes/]
 43 BH: it's pointless you
 44 DL: yah/
 45 BH: not making money out of our product and it certainly . er a a one way
 street for us to . not to er . make a profit/ [(inaudible)
 46 DL: (a) that I agree/]
 (b) looks that we may be able to: . do business after all áh/
 47 BH: well/ could be/ erm .
 48 DL: so . e:r would you be introducing to me er the chilli sauce . or . tea bags .
 or . sardines/

[2BS]

Moving to the *product review Transaction*, the main focus of such Transactions is the particular products under negotiation, with discussions centring on the quality of the product, its origins, supply and manufacture as well as the type of packaging used. Other

issues associated with the product can also be involved, such as promotional services, the appeal of the product, and the contract length and size. Thus while *product information* Sequences are common in these Transactions, other frequently occurring Sequences are *add-on services*, *market potential* and *contract terms*.

Support for this Transaction can be found in explicit procedural remarks made in some of the negotiations which clearly orientate the negotiators' organisation of portions of their discourse according to the topic of product. Examples of this can be seen in extract 25, turn 15b, as well as extract 26, turn 48. Furthermore, as the following extracts from 3BS illustrate, the *product review* Transactions systematically cover all the products being negotiated. The first extract begins with the closing section of a *background review* Transaction (41-49a) discussing the *company performance* of the buyer's organisation. The *product review* Transaction is introduced in 49b marked by the frame "now" as well as a procedural remark "let me come on and tell you a little more about the three products ..."

- [27] 41 BB: I did er .] I did take time out last weekend and er . spend time in your Clementi store/ .
- 42 AL: m-hmm/ .
- 43 BB: I did walk around and er . please forgive me if you think it's patronising but I was very impressed/ . with the appearance of the store/ . and the smartness of the staff/ . and indeed er . their attitudes/ . towards the patrons/ .
- I obviously took time out to have a look at the: products/ . that you're selling/ .
- 44 AL: m-hmm/ .
- 45 BB: a:nd I was particularly keen to . have a look at . the named brands/ . a:nd the sort of selling prices/ .
- 46 AL: m-hmm/
- 47 BB: that you were seeking/ . and I would suspect/ . from what I saw/ . that you're a very efficient and very profitable organization/ .
- 48 AL: er . I couldn't disagree with you on that/ [(laughs)
- 49 BB: (a) mm] good/ .
- (b) now/ . let me . come on and tell you . a little more about the . the three products/ . that
- 50 AL: m-hmm/
- 51 BB: we seek to sell to you today/ ...

[3BS]

After a few general remarks about the three products (51-58), BB, the seller, proceeds with the *product review* by introducing the sauce product (59).

- [28] 55 BB: and] . what I'm anxious to try and do today if I may/ . is to say to you Mr Lee that . while we recognise you're interested in . one thousand cases only at this stage/
 56 AL: m-hmm/ .
 57 BB: let me tell you a little bit about the products/ . and . perhaps what we can do for you . in terms of . larger repeat orders/ .
 58 AL: m-hmm/ .
 59 BB: first and foremost/ . the: chilli sauce/

[3BS]

After a discussion of issues related to the sauce product, the negotiators move onto the juice product. The extract below illustrates the transition from a Sequence dealing with the packaging (75b) and branding (75c) of the sauce product to a Sequence dealing with the tea product (77).

- [29] 75 BB: (b) the . bottle . as you will see is an interesting shape/ . it's clear glass/ . we believe . consumers like to be able to . see . what they're buying/ .
 (c) and all in all . I must admit/ . that whilst . this is our blend/ . and it's very very popular/ . we can if necessary/ . consider . a slight change in the ingredients/ . to produce a slightly different taste/ . if you prefer/ .
 76 AL: m-hmm/
 (pause)
 77 BB: (a) in terms of . tea bags/ .. a very distinctive .
 (pause)
 (b) as an aside I've just noticed that my wife's . buying in Tierney's Gourmet Supermarkets these days/ I shall have to reduce the family allowance/ [(laughs)
 78 AL: (laughs)]
 79 BB: (a) three ninety-five/ .
 (b) these are our . tea bags/ . specifically: a line that we've developed ourselves/ .

[3BS]

The introduction of the final product discussed in the *product review* Transaction is illustrated below. The extract begins with the concluding section on the tea product (123b-134) and continues with the sardine product being introduced in 135. Again, the transition is clearly marked by another procedural remark "let me turn if I may to sardines ..."

- [30] 123 BB: (b) so I believe tea is price sensitive/ .
 124 AL: (a) e:r I quite agree with you/ and in fact I very agree with you/ .
 (b) the packaging . is such that is . meant for family size/ .
 125 BB: m-hmm/
 126 AL: and as such the . wives/ . housewife will be the one who is going to buy it in [there
 127 BB: m-hmm/]
 128 AL: and price wise it has to be very competitive/=
 129 BB: =m-hmm/ .

- 130 AL: in order to sell well/ .
 131 BB: [yes/
 132 AL: in] the market/ .
 133 BB: that's very true/ .
 134 AL: m-hmm/ .
 135 BB: let me turn if I may please to: er ... sardines which I see are also bought
 in Tierneys/ . tsk tsk tsk .

[3BS]

As far as *contract review Transactions* are concerned, they deal in general terms with basic contract issues such as the length and size of contract, payment schedules and interest rates, and also pricing structures and the principles on which these are based. Other issues that can also be found in these Transactions are discussions about advertising and promotional support, storage and delivery services, and the quality of products in general. Evidence for such Transactions is not as explicit as with the other Transactions. What is clear is that there is a significant portion of negotiation discourse that deals with basic contract issues as well as other additional terms (eg. advertising, storage, delivery) which are discussed **without** them being related to a particular product.

An example of a *contract review Transaction's* initial and final boundaries is shown in the following extracts. The first extract begins with the closing portion of a *background review Transaction* in which RP, the buyer, summarises his approach to the negotiation (24b-29a). The initial boundary of the *contract review* is marked by a procedural remark (29b), which is followed by BB's detailing of the services his company offers.

- [31] 24 RP: (b) erm . as . it's not . just price which is important/ we also have to look
 at . the . quality of the food/=
- 25 BB: =m-hmm/
- 26 RP: the style of the packaging/ . and the other terms you can offer such as .
 speed of your delivery/ .
- 27 BB: m-hmm/
- 28 RP: (a) erm .. and the the credit terms you require/
 (b) so it's the . the whole package/ . which we're interested in/
- 29 BB: (a) fine/
 (b) well let me just tell you a little bit about that overall package/
 (c) because .. you may have see::n . our trucks/ . on the streets of
 Singapore/
- 30 RP: mm/
- 31 BB: we do have our own . er dedicated . fleet of delivery vans/

[3BB]

Although this in itself does not establish the central notion of a *contract review*, a closer examination of the remaining Sequences in the Transaction (29b-61b)⁸ confirms that several issues regarding *contract terms* (ie. quantity, pricing) and *add-on services* (ie. storage, promotions, branding) are covered. The final boundary of the Transaction, illustrated in extract 32 below, shows the final Sequence discussing the general pricing policy (58c-61b). The policy is discussed in terms of the coffee product using Lyons brand as an example.

- [32] 58 RP: (c) what about if we go for the: . well-known brands/ . er . such as .
 Lyons or .
 59 BB: [m-hmm/
 60 RP: one of] the others/ . what .. er is that going to work out a lot cheaper/ .
 61 BB: (a) probably not/ because . to be perfectly frank with you/ their . actual
 raw materials/ . are more expensive/ . than the: coffee beans/ . that we .
 use here/ .
 (b) our . test sampling in Singapore does suggest to us that . most
 Singaporean citizens do prefer . a coffee which is . not quite so much
 along the lines if . if I may say of the Western . bean variety/ . and this
 particular coffee that we've blended here for you/ . has . a touch of the
 Java/ . the bitter/ . [coffee
 62 RP: mm/]
 63 BB: beans/ erm . mixed . in with the: the Brazilian beans/ . because we
 believe that this gives . er more acceptable/ . favourable taste/ . for .
 Singapore consumption/
- [3BB]

The subsequent move to discussing coffee in the *product review* Transaction (61b) is not clearly marked, largely because the coffee product is used as an example of the pricing policy. However, an analysis of subsequent Sequences in the Transaction (61b-99)⁸ indicates conclusively that the discussions about *market potential* (ie. customer preference/profile) *add-on services* (ie. branding) and *product information* (ie. manufacturing) all centre on the coffee product.

The ***bargaining Transactions*** are the most easily defined as they begin with the offering of proposals in the negotiation. Kennedy, Benson and McMillan describe bargaining as "the most intense part of the negotiation process" involving "exchanging - something gained for something given up" (1987:111). Thus proposals have to be responded to in

⁸ See Appendix H1.

kind and are to be distinguished from a straight-forward presentation of pricing structures which do not elicit any counter-proposals.

The bargaining process can be fairly extended with *bargaining* Transactions being organised around either contract terms or specific products, similar to the *review* Transactions. However, instead of the *background* category found in the *review* Transactions, the *bargaining* Transactions have an *integrated* category in which both contract and product issues (usually involving all three products) feature equally. Each of these categories, *contract*, *product*, and *integrated*, are illustrated in the following extracts.

First to be examined in the following extract is a *contract bargaining Transaction*. The extract begins with a brief *contract review* Transaction (237b-244) in which AM, the seller, informs the buyer about the general payment terms while LB, the buyer, establishes his credit rating. Once this is done, the *bargaining* Transaction, focusing on the contract issue of payment, is initiated in 245 with a frame "OK well" and a focusing procedural remark after a pause. This is followed by an offer (246) and a counter-offer (247).

- [33] 237 LB: (b) what sort of premium are you charging now/ . credit/ interest wise/
(pause)
238 AM: well/ er on a CAD basis . with sixty days we'd most probably take ...
usual customers we would charge about one and a half percent above
base rate/ er ... if we were to look at a a six months contract/ on this sort
of volume/ . erm . with an option to renew/
239 LB: yeah/
240 AM: er I imagine we could reduce that/ maybe to er . one and a quarter/
241 LB: yeah/ . we don't have any problems raising credit/ erm .
242 AM: no we . from our side/ . I would admit we've er . done a bit of a search
on your company/ we've had good feedback [from there/
243 LB: yeah/
(pause)
244 AM: so we were not particularly worried on our side/
(pause)
245 LB: OK well I think we could probably talk business in terms of e:r the
interest on the credit/
246 AM: so shall we say one and a quarter on er
247 LB: no I would say e::rm . I I think one would be a (inaudible) figure/

[1BB]

The above *contract bargaining* Transaction is followed by a *product bargaining Transaction* discussing the coffee product, illustrated in the following extract. It

illustrates the closing section of the *contract bargaining* Transaction (258-260a). After a pause, AM initiates the *bargaining* Transaction centred on the coffee product (260b), eventually stating his proposal in 262 after an extensive *rationale*.

- [34] 258 AM: er ninety days is . is not a common . phenomenon now/ e:rm but I think I can say yah/ we might be able to work
 259 LB: [OK/
 260 AM: (a) that out] for you/ . as an option/
 (pause)
 (b) on the coffee side/ ... sixty-five thirty-five⁹/
 looking at the .. the general retail prices that you're charging/ on your . other brands/ you have on the shelf/ e:r . obviously we're not . certain as to the . wholesale price that you're paying/ but er your margins would seem to be fairly high/ erm .. and as we believe that the quality of the coffee we'd be supplying you is as good if not slightly superior/
 261 LB: mm/ ..
 262 AM: we would look to charge ... what you would most probably be thinking as a fairly high price/ but I'm willing to reduce it as it's a first time deal/ erm .. I'd say more on a good will basis/ .. e:r and I suppose we'd be looking ... on a joint pricing scale/ sixty-five thirty-five/ at around 1 dollars per er . thousand/ per month/

[1BB]

The *product bargaining* Transaction on coffee is followed with a further *product bargaining* Transaction dealing with the mayonnaise product. The transition is illustrated in the extract below which begins with the conclusion of the Transaction discussing coffee (291). There is a short *procedure* Sequence (292-293), a feature often found at Transaction boundaries, before the negotiators continue with a short *product bargaining* Transaction on the mayonnaise product (294-301).

- [35] 291 LB: I mean G G e:rm sixty days/ I think we'd only be prepared to commit ourselves six months/ . but F ninety days/ . sorry F er . sixty days/ .. a nine month contract/ . I would make you a firmer bid/
 (pause)
 by all means think about it erm . [(inaudible)
 292 AM: shall we look] at the other products/
 293 LB: yes let's do that/ we're talking three products anyway/
 (pause)
 294 AM: what about mayonnaise/ what of sort of er ... [price
 295 LB: the] mayonnaise is a very slow moving product/ ..
 296 AM: yup/
 297 LB: erm it's the slowest moving of the two products/ . erm .. in a way we're taking a bit of a chance on the er on the mayonnaise by going for this er . less sweet .
 298 AM: m-hmm/

- 299 LB: er product/
 300 AM: m-[hmm/
 301 LB: erm] .. so we really have to be er . quite conservative/ . in our
 calculations/ as far as the mayonnaise is concerned erm . in view of the
 slow moving nature of the product/ . we're looking at e:rm . at C/ .. C
 dollars/
 (pause)
 302 AM: without credit/ .
 303 LB: with thirty days credit/
 (pause)
 304 AM: what about the OJ/ .
 305 LB: well the O:J I think erm moves fairly er quickly/ big turnover/ . it's a
 growing market/ . erm .. because it's a big product/ because it's a growing
 market/e:r we're finding . that our suppliers erm .. are very keen . that we
 stay with them/ . e::rm ... to meet er your e:r competitors' levels/ you
 really got to e:r . to talk of D on sixty days/

[1BB]

Although the Transaction on the mayonnaise product could technically be considered a *review* Transaction rather than a *bargaining* Transaction since there is no counter-offer to LB's offer of C price (301), it seems more logical to classify it as a *bargaining* Transaction with a zero Satisfy to the proposal. This is because it is clear that LB is proposing rather than presenting his pricing structure. The new *product bargaining* Transaction dealing with the juice product is then initiated in 304 after a pause.

As with the mayonnaise product, no counter-proposal is made in the *product bargaining* on juice (originating with the proposal in 305, extract above). This can be seen in the following extract which begins with AM and LB discussing LB's proposal *rationale* (312-321). While AM accepts the *rationale* (see Satisfies in 320, 322) thus concluding the Transaction, he offers no counter-proposal¹⁰. The initiation of an *integrated bargaining Transaction* (324) follows during which AM presents price and payment proposals for all the three products.

- [36] 312 AM: sixty days is fairly long credit then I would say/ by the time we've given
 you the credit you'd most probably turned it over two or [three times/
 313 LB: yes/ yes/] yes/ the reason I asked for sixty I mean that does . the sixty
 days . on orange juice does give us . great liquidity/
 314 AM: yeah/
 315 LB: erm .. we go for six I'm going for sixty days on the orange juice because .
 the extra liquidity that it gives us/ . will compensate for the lack of
 liquidity/

¹⁰ Such behaviour is strategically expedient since AM now has access to LB's position but not vice versa.

- 316 AM: mm/
 317 LB: that we might have on the mayonnaise product/
 318 AM: mm/
 319 LB: and to a degree on the coffee product/
 I admit that er . the sixty days if you give us sixty days that will give us
 cash in hand/ for that product alone/ we will have turned it over probably/
 .. before we actually
 320 AM: [yeah/
 321 LB: pay] for it/ .
 322 AM: [yeah/
 323 LB: but] it really just compensates for the coffee and the er the mayonnaise
 products/
 324 AM: on the orange juice I would be look I mean if you were looking for sixty
 days I would be looking more at er . most probably *G* plus sixty/ ..
 e:r . I would have thought that .. to help you out you would prefer longer
 credit o:n the mayonnaise/ than the orange juice/
 325 LB: right/
 326 AM: e:rm . well we could most probably give you a ninety day credit at *F*/ .. on
 the mayonnaise/ with sixty at *G* on the orange juice/ .
 327 LB: and where are we on the coffee now/
 328 AM: the coffee ... well/ we got to we we came to some . slight disagreement/=
 329 LB: =yes/ we're *F* . we're *F* . [e:r
 330 AM: *F*] ninety/ or [e:r
 331 LB: yes/] *F* sixty I'm prepared to do *F* sixty with a nine month contract/

[1BB]

In addition to the markers identifying the boundaries of the *bargaining* Transaction illustrated above, it should also be noted that all the *bargaining* Transactions are co-terminous with Exchange structure. In other words, each *bargaining* Transaction consists of one Exchange, usually *progressive* in nature. As seen in the above extracts, this feature is useful in identifying the boundaries of the different *bargaining* Transaction.

Exchange structure is also essential for defining a series of *integrated bargaining* Transactions. An example of the transition from one *integrated bargaining* Transaction to another is illustrated below. The extract begins with the concluding sections of the first *integrated bargaining* Transaction (228-232a). In this case, the boundary is not only marked by a procedural remark (230b) Countering HC's partial Move in 229, but also the termination of the Exchange with HC's Satisfy (231). The new *integrated bargaining* Transaction begins with AL re-introducing his price proposal for the products in 232b.

- [37] 228 AL: yah] so what if it sells/ the: . even with . with . good sale record as you .
 quote/ . it . the the price margin/ . the the profit margin is way below
 what we can get from other product/ . and we sell smaller volume and
 and . still make/ . better profit than what . we can from your product/ you
 see/ .
 229 HC: as I said if it . sells well I'm going [to

- 230 AL: (a) no] you you you ha- I think . tsk . e:r
 (b) we shouldn't debate further on . what the quantity/ . since that is e:r
 not what you wanted/
 231 HC: [let's . let's stick to the original . of the (inaudible)
 232 AL: (a) but the . the price ér . the price has] to be: negotiated again er/ .
 (b) I . I e:r am very adamant that er . based on what we have now/ . and
 based on market er prices/ . the best that I can offer you ér/ . is like I've
 said around . D prices/ . for all the three . [purchase/

[3SS]

3.3.6 PHASE STRUCTURE

According to Holmes (1992), the **Phase** is "a coherent period of interaction, characterised by a dominant constellation of communicative acts. This constellation serves a set of related functions in the movement from initiation to resolution of a dispute" (ibid:83). Following Douglas (1962) and Kennedy, Benson & McMillan (1987), a three phase model is used in this study. In Holmes' (ibid) terminology, they are the *initiation*, *problem-solving* and *resolution* phases.

The **initiation phase** is characterised as an initial lengthy phase in which "the appearance of deep and irreconcilable cleavage between the parties surfaces" but at the same time, "at the level of interpersonal relations, there may be warmth and good will" (ibid:88). At a practical level, this phase is the easiest to identify because it begins immediately after an optional period of phatic talk (Edmondson's *Ave*) which typically focuses on salutations and/or personal information about the interactants.

The **problem-solving phase** is the stage at which "negotiators seek out areas of agreement that hold promise" (ibid:88). In Kennedy, Benson & McMillan's (1987) model, this phase is marked by the first offers (ibid:77). For the purposes of this study, a proposal is equivalent to the substantive behaviour *Initiation*¹¹ defined in Putnam & Jones' Bargaining Process Analysis (BPA) II. They also coincide with the *proposal* topic discussed above in section 3.3.4.

¹¹ It is unfortunate that the terminology overlaps with the *Initiation* phase. However the original terms have been retained because they are established in the literature.

The **resolution phase** is potentially the most difficult to identify as it deals with the relative notion of "substantive proposals, accompanied by concession making" (Holmes, 1992:90). In most cases, these concessions are clear movements away from previously stated positions and are sometimes also verbally marked. In other instances, concessions are less marked and have to be viewed from the perspective of the final outcome.

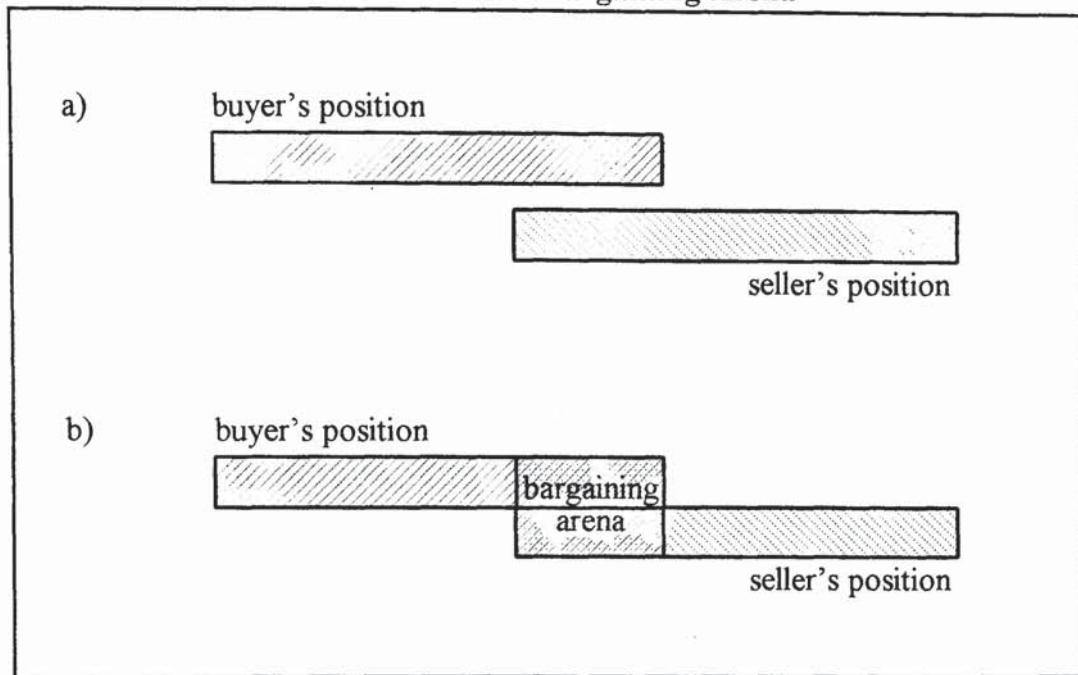
Having presented the analytical framework, this final section briefly describes how the different levels in this framework are related in order to characterise the different procedures outlined in section 2.4.3. Beginning with the **negotiation strategies**, the procedures by which negotiators employ either competitive and/or cooperative plans to achieve their goals, the levels that inter-relate most meaningfully are the bargaining behaviours in conjunction with Phase structure. When the bargaining behaviours are analysed in terms of Phase structure, it is possible to elucidate how the cumulative effect of individual bargaining behaviours is able to influence the respective negotiators' possibly conflicting game plans toward final outcome and agreement.

As far as **rhetorical strategies** are concerned, their focus is mainly on how arguments are coherently developed at the level of discourse. Thus the component levels involved with this strategy are Transaction structure and the issues identified at the level of Sequence. By analysing the development of these issues from the perspective of Transaction structure, a complementary insight is afforded as to how negotiation goals are met. While negotiation strategies look at how individual behaviours affect outcome, these strategies provide insight as to when and how issues are employed in order to facilitate the movement toward final outcome.

The next procedure to be considered, the interactional strategy, considers how negotiators construct **bargaining arenas** or platforms. A bargaining arena is the area of overlap that exists between two negotiators' individual positions (McCall & Warrington, 1984:180). At the outset of a negotiation, the negotiators have their own positions regarding various issues which are of interest to them as illustrated in Figure 1a. When negotiators are able to identify and establish issues of common interest, they construct a shared bargaining arena (see Figure 1b). Kennedy, Benson & McMillan (1980) point out,

with reference to a similar figure, that "diagrams are static and represent only a single issue. In the real world, negotiations are dynamic and involve many issues" (ibid:22). Thus the more issues negotiators are able to identify as being of mutual interest, and the greater the congruence there is on those issues, the larger the bargaining arena.

FIGURE 1: The Bargaining Arena



The **interactional strategies** then examine how the Exchange structure influences the construction of the bargaining arenas, and ultimately the degree to which this influences the outcome of the negotiation.

CHAPTER FOUR

RESULTS AND DISCUSSION: UNDERSTANDING INTERCULTURAL NEGOTIATIONS THROUGH LINGUISTIC PROCEDURES AND STRATEGIES

Negotiation discourse has been characterised as a complex activity that is highly interdependent yet conflict-oriented. When the activity occurs in an intercultural context, the difficulties of understanding how negotiators are able to achieve goals that are mutually acceptable to both parties are further compounded. Thus it has been proposed that the activity be understood in terms of the various linguistic procedures outlined at the end of Chapter Two. Given the scope of this study, just three of the procedures are examined. They are the negotiation strategies, the rhetorical strategies and the interactional procedures. These are discussed in sections 4.1, 4.2 and 4.3 respectively.

4.1 Negotiation Strategies: Bargaining Behaviours in Phase Structure

The first level at which the data are examined deals specifically with the negotiators' goals and how they are realised. Communication at this level functions crucially in allowing participants to "discover patterns of individual behaviour that make each player's actions predictable to the other, to test each other for a shared sense of pattern and regularity, [and] to exploit ... impromptu codes for signalling intentions and responding to each other's signals" (Schelling, 1960:84).

The level of intention is most conscious at this point as negotiators communicate in order to reveal information which they wish the other party to know as they seek to influence their opponents' expectations and behaviours (Putnam & Jones, 1982b:263). Thus the investigation of bargaining behaviours provides the means for understanding how negotiators realise their goals. At the same time, from a methodological point of view, it

provides a characterisation of the negotiations in terms of those bargaining behaviours. Thus an extralinguistic context is supplied from which it is possible to understand the other linguistic procedures.

This section is organised as follows: section 4.1.1 analyses the development of the bargaining behaviours in terms of the three main negotiation phases as a means of examining how negotiators perform the dual tasks of resisting movement from their own position at the same as getting movement on their opponent's part. This is followed by section 4.1.2 which considers the use of reciprocity and how its deployment can affect the outcome of negotiations.

The bargaining behaviours are analysed in terms of Putnam & Jones' (1982a) modified model of the Bargaining Process Analysis and the behaviours are further categorised according to three strategic behaviours. They are the integrative, the defensive and the offensive. As described in Section 3.3.1, integrative strategies include behaviours such as Initiation, Acceptance, Other-supporting Arguments, Exploratory Problem-solving, Positive Affect, and Procedural Statements. Defensive strategies include Accommodation, Retraction, Commitment, Promise, Self-supporting Arguments, and Provide Information. Offensive strategies are behaviours such as Rejection, Threat, Demand, Persuasive-attacking Arguments, Request Information, Request/Provide Reaction, Clarification, and Negative Affect.

Before examining the development of the bargaining behaviours in detail, a characterisation of the negotiations is provided from an overall comparison of the strategic behaviours. When the integrative strategies within each set of negotiations are compared (see Figures 2a-i), the Singaporean-Singaporean negotiations are found to be the least integrative within the set. Looking at the negotiations in set 1, the integrative strategies in 1SS are 16.55% of total bargaining behaviours, compared to 1BB and 1BS which have 19.71% and 18.25% integrative strategies respectively. The same is true of set 2 where 2SS has 17.22% integrative strategies compared to 2BB and 2BS which have 22.75% and 22.77% respectively. Finally in set 3, it can be seen that 3SS has 9.61% integrative strategies in contrast to 3BB which has 14.4% and 3BS which has 17.56%.

FIGURE 2a: 1BB - Frequency of Strategic Behaviours

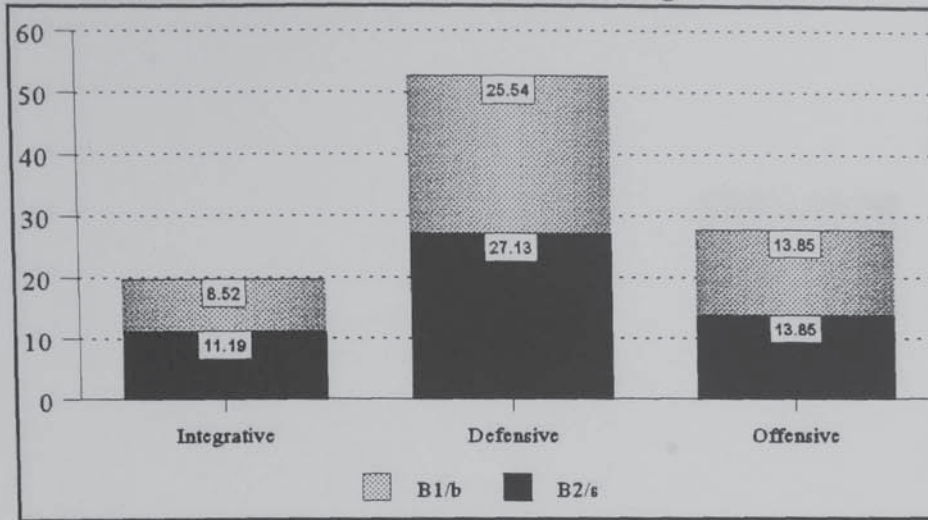


FIGURE 2b: 2BB - Frequency of Strategic Behaviours

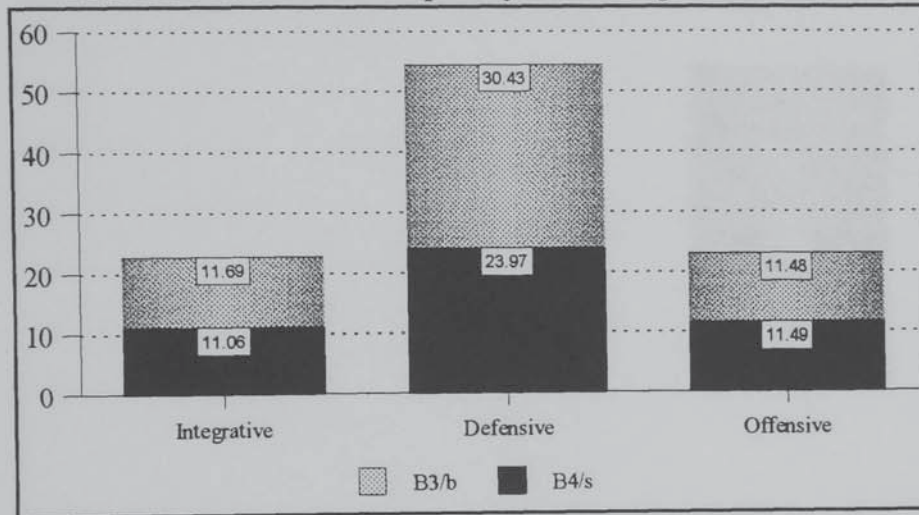


FIGURE 2c: 3BB - Frequency of Strategic Behaviours

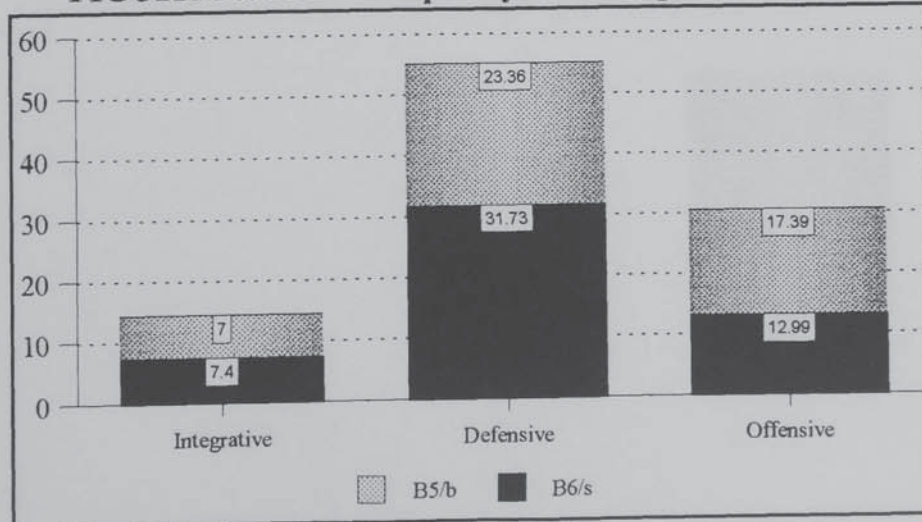


FIGURE 2d: 1SS - Frequency of Strategic Behaviours

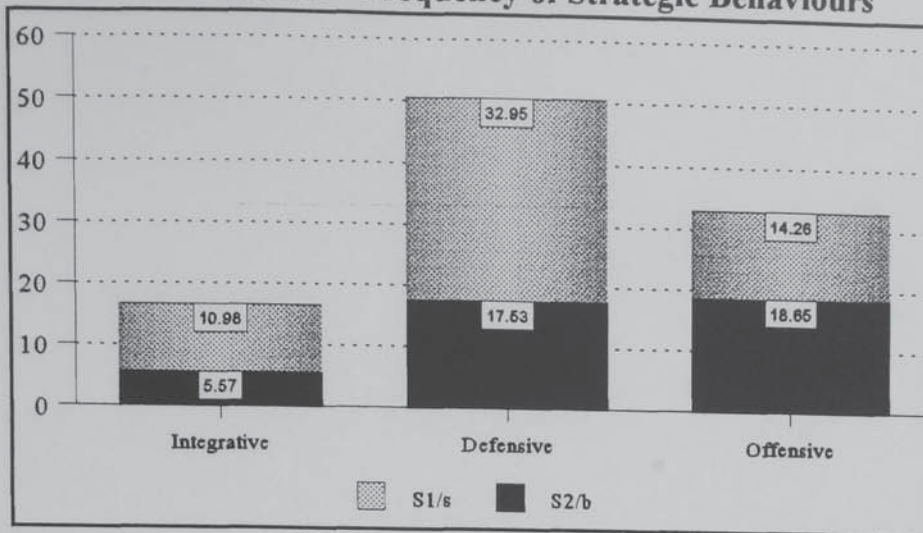


FIGURE 2e: 2SS - Frequency of Strategic Behaviours

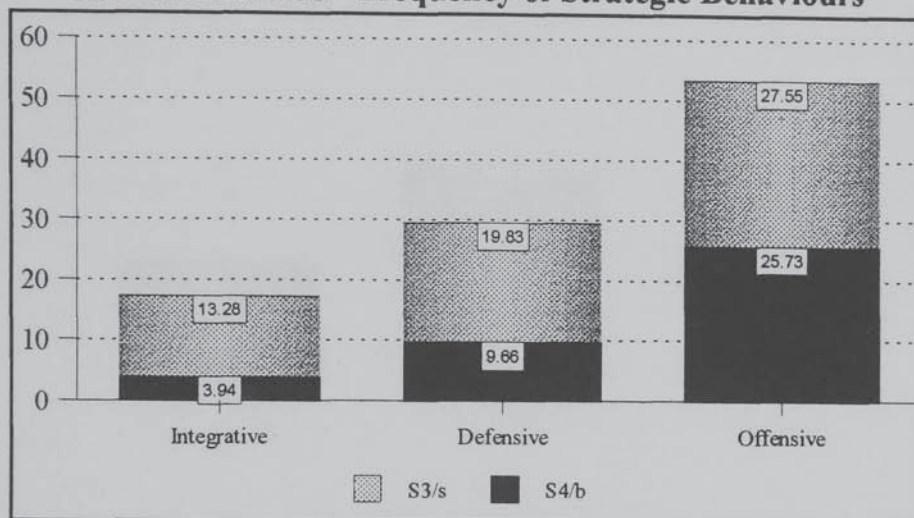


FIGURE 2f: 3SS - Frequency of Strategic Behaviours

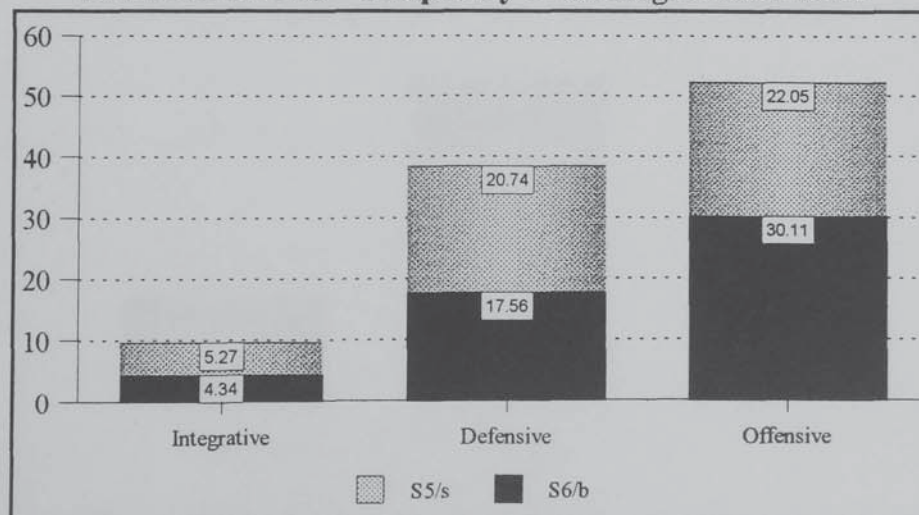


FIGURE 2g: 1BS - Frequency of Strategic Behaviours

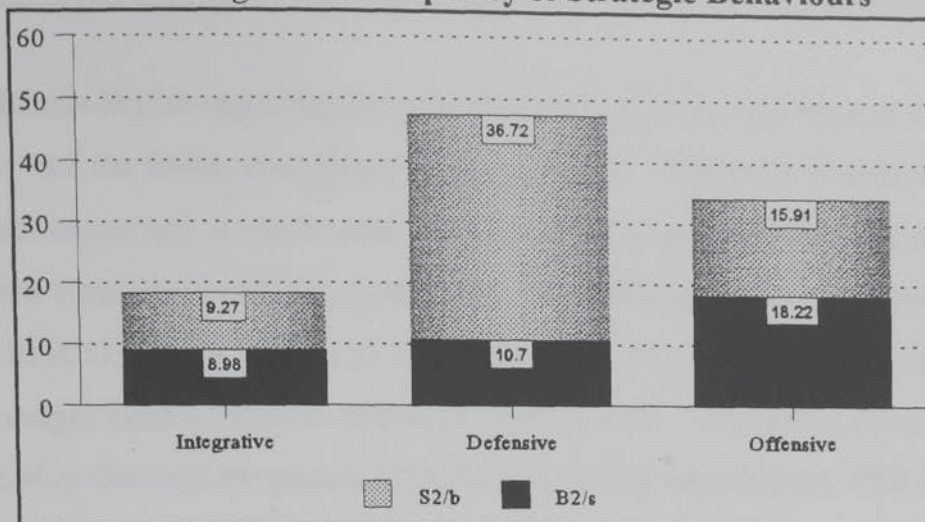


FIGURE 2h: 2BS - Frequency of Strategic Behaviours

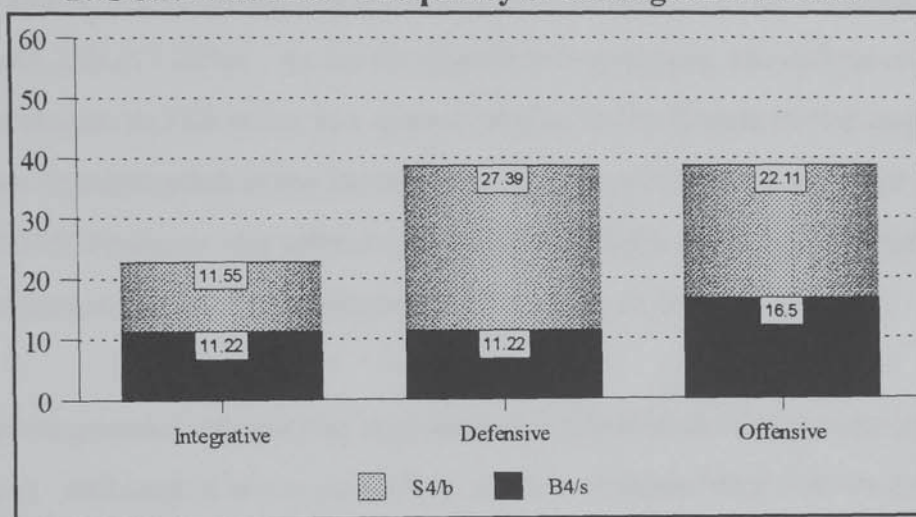
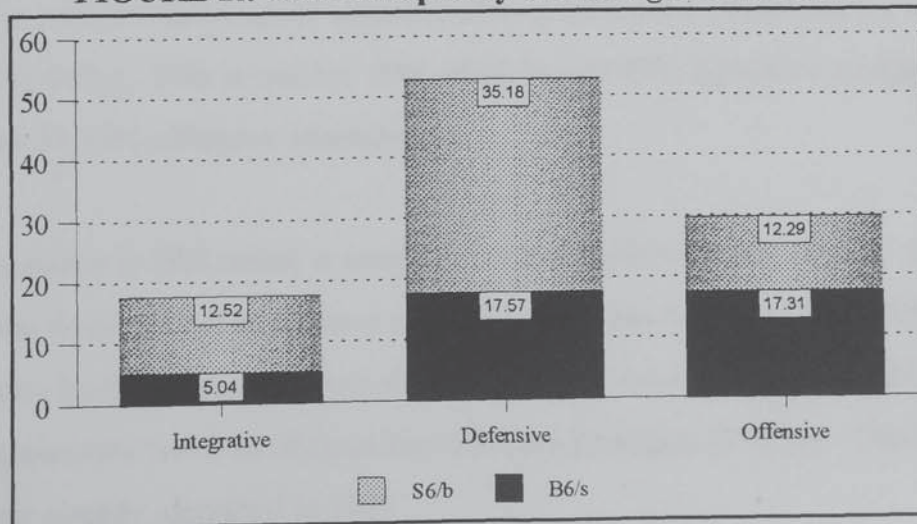


FIGURE 2i: 3BS - Frequency of Strategic Behaviours



When the British-British negotiations are compared as a group (see Figures 2a-c), the negotiation with the fewest integrative strategies is 3BB. Where the distributive strategies are concerned, it can be seen that the defensive and offensive strategies occur with a similar frequency in all the negotiations. The defensive strategies range in frequency from 52.67% in 1BB to 55.09% in 3BB. As for the offensive strategies, the frequency ranges from 22.97% in 2BB to 30.38% in 3BB. So apart from being characterised as the least integrative of the British-British negotiations, 3BB is also the most offensive.

The Singaporean-Singaporean negotiations (see Figures 2d-f) are less homogeneous. 3SS, for example, has relatively fewer integrative strategies (9.61%) compared to the 1SS (16.55%) and 2SS (17.22%). As for the distributive strategies, the defensive and offensive strategies in 1SS occur in a manner similar to the British-British negotiations with a higher concentration in the former (50.48%) as compared to the latter (32.91%). In 2SS and 3SS, however, the offensive strategies (53.28% and 52.16% respectively) occur more frequently than the defensive (29.49% and 38.3% respectively).

The least homogeneous category of negotiations is the British-Singaporean group (see Figures 2g-i). Although it is not possible to discern characteristics that are particular to the group, two of the negotiations have features that correspond to an intracultural counterpart. 1BS is very similar to 1SS as seen in the similar frequency of integrative strategies in 1SS (16.55%) compared to 1BS (18.25%). Furthermore, the defensive strategies in 1SS (50.48%) occur approximately a third more often than the offensive strategies (32.91%). This is true for 1BS which has 47.42% defensive strategies compared to 34.13% offensive strategies.

The other instance is 3BS which is similar to its British-British counterpart. They both have a similar frequency of integrative strategies: 3BB has 14.4% while 3BS has 17.56%. When the distributive strategies are compared, the defensive strategies in 3BS (52.75%) occur approximately twice as often as the offensive strategies (29.6%). This is a characteristic already identified in 3BB.

4.1.1 STRATEGIC BEHAVIOURS IN PHASE DEVELOPMENT

When the strategic behaviours are examined in terms of the three phases of business negotiations (*initiation*, *problem-solving*, and *resolution*), further differences within and between the three types of negotiations are observed. In order to make comparisons between the three phases, the percentages used in Figure 3a-i are based on the total behaviours in each phase rather than on total behaviours in the negotiation. A general observation of almost all the negotiations is that as the negotiations progress over the three phases, the negotiators tend to use strategies that are more integrative and less distributive. The exceptions are 1BS and 3SS¹. However, there are still clear differences between the three types of negotiations.

The British-British negotiations are the most homogeneous of the three groups (see Figure 3a-c). 1BB and 2BB are generally more similar as their integrative strategies make up 16.88% and 14.67% respectively of total bargaining behaviours in the *initiation* phase and these increase to 33.33% and 34.08% respectively in the *resolution* phase. 3BB, which has been characterised as more distributive in nature, begins with a lower percentage of integrative strategies (11.84%) and also concludes in the final phase with lower percentage (25.3%).

As for the defensive strategies, although all the negotiations open with a similarly high level of this strategy (57.78%, 64.47%, and 62.66% respectively). The levels differ in the *resolution* phases, with 1BB and 2BB having 33.33% and 33.98% respectively compared to 3BB's 42.17%. The distribution of the offensive strategies over the phases is largely similar beginning in the *initiation* phase with 25.34%, 20.86%, and 25.5% and concluding in the *resolution* phase with 33.33%, 31.94%, and 32.53% for 1BB, 2BB and 3BB respectively.

Before moving on to examine the Singaporean-Singaporean negotiations, the most frequently occurring behaviours within each phase of the British-British negotiations are

¹ However, it should be noted that the initiation phases in 1SS and 3SS are particularly short, and in the case of 3SS is only 0.78% of the total behaviours.

FIGURE 3a: 1BB - Strategic Behaviours in Phase Structure

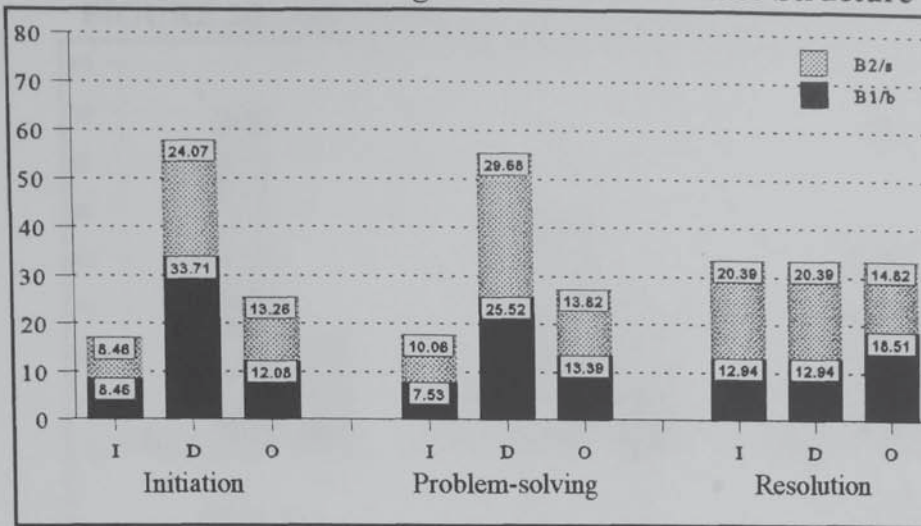


FIGURE 3b: 2BB - Strategic Behaviours in Phase Structure

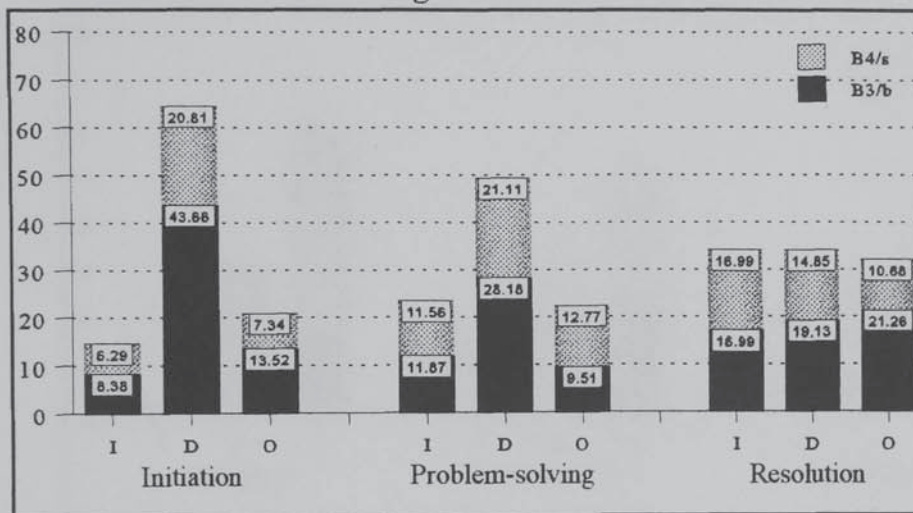
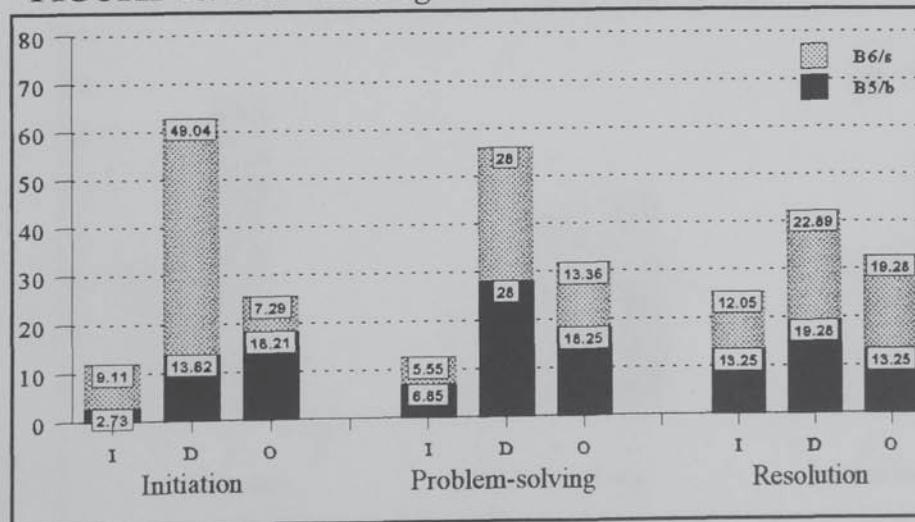


FIGURE 3c: 3BB - Strategic Behaviours in Phase Structure



Key:

I: Integrative
D: Defensive
O: Offensive

FIGURE 3d: 1SS - Strategic Behaviours in Phase Structure

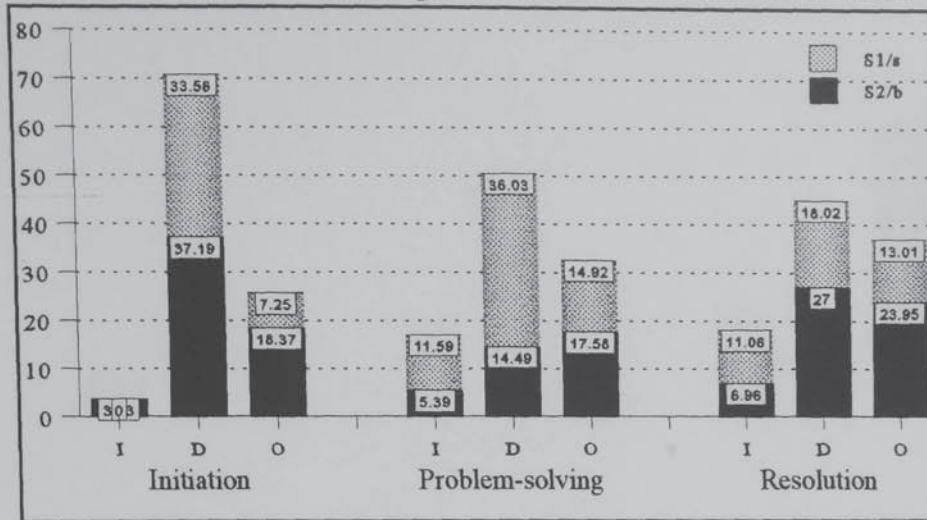


FIGURE 3e: 2SS - Strategic Behaviours in Phase Structure

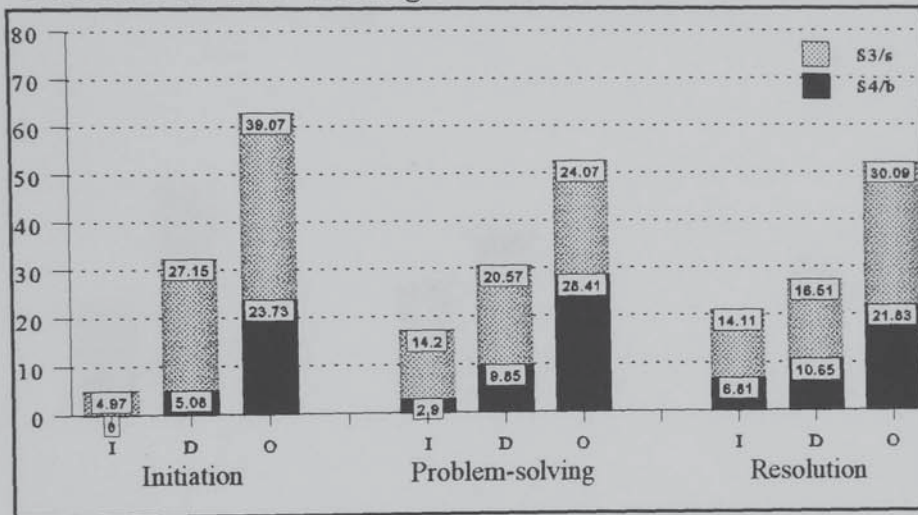


FIGURE 3f: 3SS - Strategic Behaviours in Phase Structure

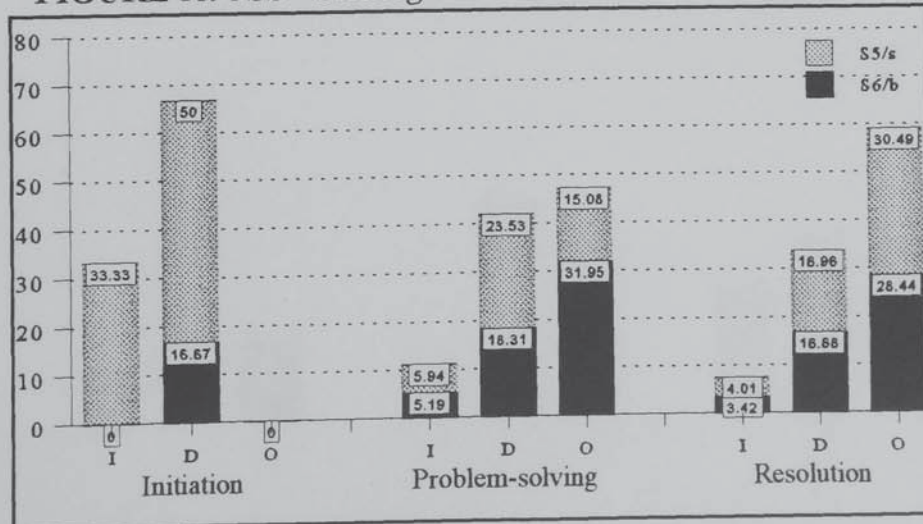


FIGURE 3g: 1BS - Strategic Behaviours in Phase Structure

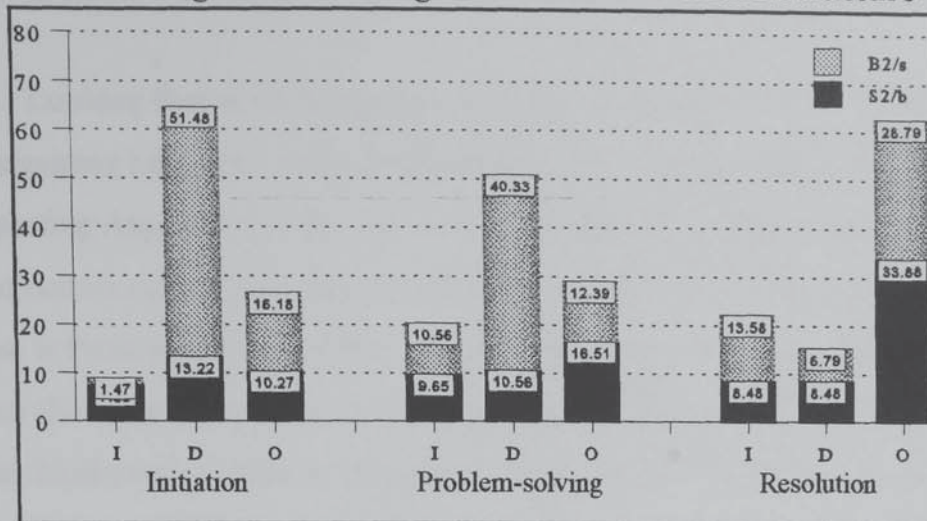


FIGURE 3h: 2BS - Strategic Behaviours in Phase Structure

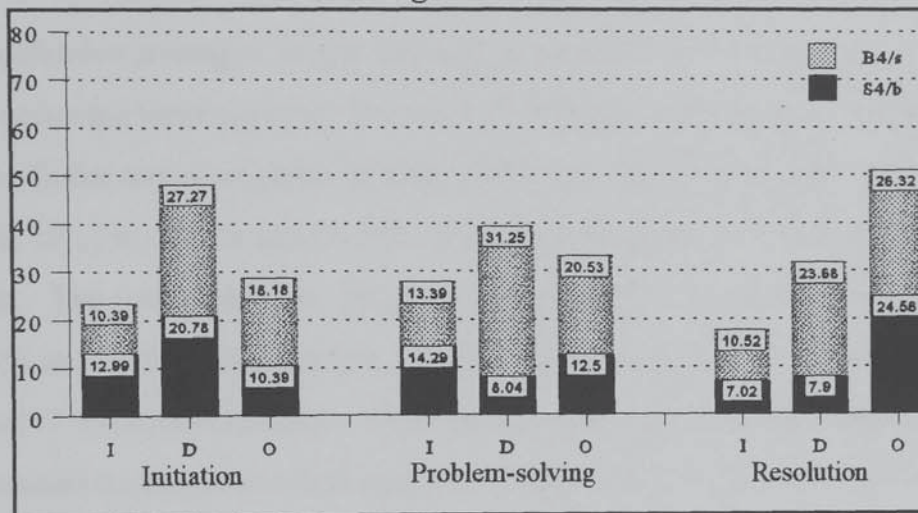
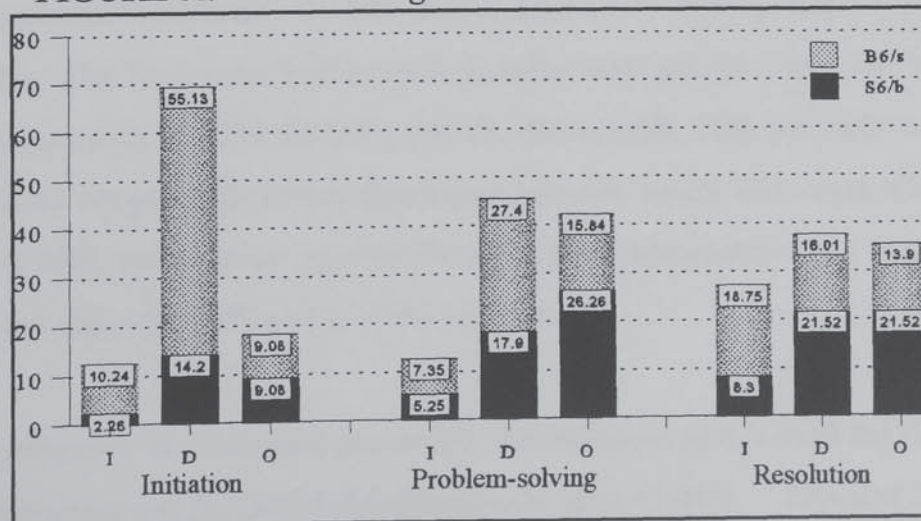


FIGURE 3i: 3BS - Strategic Behaviours in Phase Structure



considered. Looking first at the integrative strategies (see Table 11a-c), the most frequent bargaining behaviour in the *initiation* phase in 1BB and 3BB is Persuasive Other-supporting Arguments (1.6% and 1.8% respectively). Exploratory Problem-solving also occurs equally frequently in 1BB. As for 2BB, the most frequent behaviour in this phase is Positive Affect (1.05%). In the *problem-solving* phase, 1BB and 3BB again favour the same behaviour which is Initiation (5.59% and 2% respectively). 2BB, on the other hand prefers Other-supporting Arguments (5.41%). The recurring behaviour in *resolution* phase of all three negotiation is Initiation. It is 2.39% of total behaviours in 1BB, 0.83% (equal with Other-supporting Arguments and Exploratory Problem-solving) in 2BB, and 1.6% (equal with Exploratory Problem-solving) in 3BB.

As for the defensive strategies which dominate most of the three phases, the most frequently occurring behaviours are Provide Information and Persuasive Self-supporting Arguments. In the *initiation* phase of 1BB, 2BB, and 3BB, the Provide Information behaviour is 10.11%, 9.79% and 10.37% of the total behaviours in the respective negotiations. The same behaviour dominates the *problem-solving* phase in 1BB and 2BB, with 22.34% and 22.08% respectively, while in 3BB it is Persuasive Self-supporting Arguments (17.76%) that dominate. With the *resolution* phase, behaviours in 1BB and 2BB are focused on Persuasive Self-supporting Arguments (3.46% and 2.29% respectively), while in 3BB the focus is on Provide Information.

The Provide Information behaviour in the three negotiations make up a significant proportion of total behaviours. In 1BB, they constitute 33.78%, in 2BB 32.29% and in 3BB 28.74%. The Persuasive Self-supporting behaviours are the next most frequently used behaviours with 18.62%, 20.85%, and 23.15% in 1BB, 2BB and 3BB respectively. The behaviours are generally evenly distributed between buyers and sellers with the exception of 3BB, whose buyer uses the Provide Information behaviour 1.5 times less often than the seller (11.58% and 17.16% respectively).

Where the offensive strategies are concerned, the *initiation* phases in all the British-British negotiations use Request Information most often (3.46%, 1.88% and 2.2% for 1BB, 2BB and 3BB respectively). During the *problem-solving* phase, different behaviours are focused on. In 1BB it is Request Information (9.31%), in 2BB it is Provide Reaction

(5.62%), and in 3BB, the least integrative of the negotiations, it is Persuasive Attacking Arguments (6.39%). There is greater homogeneity in the *resolution* phase, where all the negotiations favour the Clarification behaviour (2.39%, 1.25%, and 2.2% for 1BB, 2BB, and 3BB respectively).

In contrast to the British-British negotiations, the Singaporean-Singaporean negotiations tend to be less homogeneous. Looking first at 1SS (see Figure 3d), its distribution of strategic behaviours can be seen to be similar to the British-British negotiations in that its defensive strategies decrease over time (70.75% to 45.02% in the *initiation* and *resolution* phases respectively) while the integrative behaviours increase (3.63% to 18.02%) to counter balance the concomitant increase in offensive behaviours (25.62% to 36.96%).

When 2SS is examined (see Figure 3e), its offensive behaviours unusually decrease over time. They open in the *initiation* phase at a relatively high level with 62.8% and close in the *resolution* phase with 51.92%. Conversely, the defensive strategies, open at an unusually low level (32.23%), and decrease marginally to conclude in the *resolution* phase with 27.16%. Its distribution of integrative behaviours is similar to 1SS, opening low (4.97%) and increasing to 20.92%.

3SS (see Figure 3f), the least integrative of the Singaporean-Singaporean negotiations, differs in its use of offensive strategies which increase over time (0% to 58.93% in the *initiation* and *resolution* phases respectively) as the integrative strategies decrease (33.33% to 7.43%). The increase in use of the offensive strategies results in a characteristic shared with 2SS in that they both have unusually high distributions of offensive strategies, particularly in the *problem-solving* and *resolution* phases. Its distribution of defensive behaviours is similar to 1SS which decreases over time (66.67% in the *initiation* phase compared to 33.64% in the *resolution* phase).

Looking at the specific behaviours, it can be seen that the Singaporean-Singaporean negotiators utilise similar defensive strategies to the British-British negotiations. Tables 11d-f show the most frequently used behaviour in all the *initiation* phases is Provide Information (1.97%, 2.62% and 0.26% in 1SS, 2SS and 3SS respectively). As for the

TABLE 11a: 1BB - Bargaining Behaviours in Phases

	Integrative							Defensive					Offensive										
	S1	S2	PO	T6	A+	P		S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5	
I	B	-	-	1.07	0.53	0.27	-	-	-	-	-	1.86	5.59	-	-	-	-	0.27	1.33	-	-	0.27	0.80
	S	-	-	0.53	1.06	0.27	-	-	-	-	-	0.80	4.52	-	-	-	-	0.27	2.13	-	-	-	0.53
PS	T	-	-	1.60	1.59	0.54	-	-	-	-	-	2.66	10.11	-	-	-	-	0.54	3.46	-	-	0.27	1.10
	B	2.66	0.27	1.06	-	0.80	-	-	-	-	0.27	6.65	9.31	0.27	0.27	0.53	-	0.53	4.26	-	-	1.06	1.60
	S	2.93	0.27	2.13	0.27	0.53	0.27	-	-	-	-	5.85	13.03	0.27	-	-	-	0.54	5.05	-	-	1.60	1.33
R	T	5.59	0.54	3.19	0.27	1.33	0.27	-	-	-	0.27	12.50	22.34	0.54	0.27	0.53	-	1.07	9.31	-	-	2.66	2.93
	B	0.53	-	0.53	0.80	-	-	-	-	-	-	1.33	0.53	-	-	0.27	-	-	-	-	-	1.06	1.33
	S	1.86	0.27	0.27	0.53	-	-	-	-	-	-	2.13	0.80	-	-	-	-	-	0.27	-	-	0.80	1.06
	T	2.39	0.27	0.80	1.33	-	-	-	-	-	-	3.46	1.33	-	-	0.27	-	-	0.27	-	-	1.86	2.39

Key:

I:	Initiation Phase	S1	Initiation	S4	Accommodation	A-	Negative Affect
PS:	Problem-solving Phase	S2	Acceptance	S5	Retraction	S3	Rejection
R:	Resolution Phase	PO	Other-supporting Arguments	C1	Commitment	C2	Threat
				C3	Promise	C4	Demand
B:	Buyer	T6	Exploratory Problem-solving	PS	Self-supporting Arguments	PA	Attacking Arguments
S:	Seller	A+	Positive Affect	T2	Provide Information	T1	Request Information
T:	Total	P	Procedural Statements			T3	Request Reaction
						T4	Provide Reaction
						T5	Clarification

TABLE 11b: 2BB - Bargaining Behaviours in Phases

		Integrative						Defensive						Offensive								
		S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	-	0.21	0.63	0.63	0.21	-	-	-	-	2.92	5.83	-	-	-	-	0.21	1.46	-	0.83	0.21
	S	-	-	0.63	0.21	0.42	-	-	-	-	-	0.21	3.96	-	-	-	-	0.42	0.42	0.21	0.21	0.21
	T	-	-	0.84	0.84	1.05	0.21	-	-	-	-	3.13	9.79	-	-	-	-	0.63	1.88	0.21	1.04	0.42
PS	B	2.50	-	2.29	0.42	2.50	0.63	-	-	-	0.21	7.09	12.50	0.21	-	-	-	0.84	1.67	0.21	2.08	1.67
	S	1.04	0.63	3.12	1.04	2.29	-	-	-	0.42	-	8.34	9.58	-	0.21	0.21	-	1.88	1.67	0.21	3.54	1.25
	T	2.54	0.63	5.41	1.46	4.79	0.63	-	-	0.42	0.21	15.43	22.08	0.21	0.21	0.21	-	2.72	3.34	0.42	5.62	2.92
R	B	0.83	-	0.21	0.42	0.21	-	-	-	0.63	-	1.04	0.21	-	-	0.63	-	0.42	-	-	0.21	0.83
	S	-	0.42	0.63	0.42	0.21	-	-	-	-	-	1.25	0.21	-	-	-	-	0.42	-	-	0.21	0.42
	T	0.83	0.42	0.84	0.84	0.42	-	-	-	0.63	-	2.29	0.42	-	-	0.63	-	0.84	-	-	0.42	1.25

TABLE 11c: 3BB - Bargaining Behaviours in Phases

	Integrative						Defensive						Offensive								
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	0.40	-	0.20	-	-	-	-	-	0.40	2.59	-	-	-	-	0.40	2.0	-	1.0	0.60
	S	-	1.40	-	0.40	0.20	-	-	-	-	2.99	7.78	-	-	-	-	-	0.20	-	0.40	1.0
	T	-	1.80	-	0.60	0.20	-	-	-	-	3.39	10.37	-	-	-	-	0.40	2.20	-	1.40	1.60
PS	B	0.60	-	1.60	1.20	0.40	0.40	-	-	1.20	9.38	6.59	-	-	0.60	0.80	4.39	2.40	-	2.20	0.80
	S	1.40	0.20	0.40	0.60	0.60	0.20	-	0.40	0.20	8.38	8.18	-	0.40	-	-	2.00	1.40	0.20	2.79	1.40
	T	2.0	0.20	2.00	1.80	1.0	0.60	-	0.40	1.40	17.76	14.77	-	0.40	0.60	0.80	6.39	3.80	0.20	4.99	2.20
R	B	0.60	0.40	-	1.0	0.20	-	-	0.20	0.20	0.40	2.40	-	-	-	0.40	0.20	0.20	-	0.40	1.0
	S	1.0	0.20	-	0.60	0.20	-	-	1.0	-	1.60	1.20	-	0.20	-	-	0.40	0.60	0.20	0.60	1.20
	T	1.60	0.60	-	1.60	0.40	-	-	1.20	0.20	2.00	3.60	-	0.20	-	0.40	0.60	0.80	0.20	1.0	2.20

TABLE 11d: 1SS - Bargaining Behaviours in Phases

TABLE 110. 155 - Bargaining Behaviors in Phases																						
Integrative							Defensive						Offensive									
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5	
I	B	-	-	-	0.16	-	-	-	-	-	0.82	0.82	-	-	-	-	-	0.49	-	-	0.16	0.16
	S	-	-	-	-	-	-	-	-	-	0.33	1.15	-	-	-	-	-	0.16	-	-	-	0.16
	T	-	-	-	0.16	-	-	-	-	-	1.15	1.97	-	-	-	-	-	0.65	-	-	-	0.32
PS	B	0.98	0.33	0.82	0.49	1.32	0.33	0.16	1.97	-	6.39	2.95	2.13	0.33	-	0.16	5.40	1.48	0.33	2.29	1.80	
	S	1.80	-	3.28	2.62	1.31	0.16	-	0.49	0.98	21.80	5.25	1.97	-	-	0.33	5.90	0.82	0.49	1.15	1.15	
	T	2.78	0.33	4.10	3.11	2.63	0.49	0.16	2.46	0.98	28.19	8.20	4.10	0.33	-	0.49	11.30	2.30	0.82	3.44	2.95	
R	B	0.49	-	0.16	-	0.49	-	-	1.31	-	2.95	0.16	0.98	0.16	-	0.49	0.82	-	0.16	0.49	0.82	
	S	0.33	0.16	0.66	-	0.66	-	-	-	0.16	2.46	0.33	0.49	0.16	-	-	0.49	-	-	0.33	0.66	
	T	0.82	0.16	0.82	-	1.15	-	-	1.31	0.16	5.41	0.49	1.47	0.32	-	0.49	1.31	-	0.16	0.82	1.48	

TABLE 11e: 2SS - Bargaining Behaviours in Phases

Table 16: 200-400 Yard Gaming Scenarios in 4 Phases																					
Integrative							Defensive						Offensive								
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	-	-	-	-	-	-	-	-	-	0.49	-	-	-	-	-	0.98	-	-	-
	S	-	0.16	-	0.16	0.16	-	-	-	-	0.49	2.13	-	-	-	-	-	1.64	-	-	2.13
	T	-	0.16	-	0.16	0.16	-	-	-	-	0.49	2.62	-	-	-	-	-	2.62	-	-	3.44
PS	B	0.49	0.16	-	0.33	0.66	-	-	-	0.33	0.49	4.75	0.66	0.49	0.49	0.33	1.80	5.57	0.16	-	6.56
	S	3.44	0.16	0.98	0.66	2.46	0.33	-	0.16	0.16	3.44	7.87	0.49	0.49	-	0.16	1.15	2.46	0.33	0.66	7.87
	T	3.93	0.32	0.98	0.66	2.79	0.99	-	0.16	0.49	3.93	12.62	1.15	0.98	0.49	0.49	2.95	8.03	0.49	0.66	14.43
R	B	0.66	0.33	1.31	-	-	-	0.16	0.33	0.16	1.64	1.31	0.66	0.16	0.66	0.16	1.80	0.49	0.82	0.33	2.30
	S	1.15	0.66	1.15	0.33	1.48	-	-	0.33	0.16	3.12	1.97	0.66	0.16	0.66	-	1.81	0.49	0.16	1.48	4.75
	T	1.81	0.99	2.46	0.33	1.48	-	0.16	0.66	0.32	4.76	3.28	1.32	0.32	1.32	0.16	3.61	0.98	0.98	1.81	7.05

TABLE 11f: 3SS - Bargaining Behaviours in Phases

	Integrative						Defensive						Offensive								
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	-	-	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-
S	-	-	-	0.13	0.13	-	-	-	-	-	0.13	0.26	-	-	-	-	-	-	-	-	-
T	-	-	-	0.13	0.13	-	-	-	-	0.13	0.13	0.26	-	-	-	-	-	-	-	-	-
PS	B	0.92	-	0.53	0.66	0.13	0.53	-	0.66	0.13	6.21	2.77	2.51	0.26	0.79	0.92	5.95	0.40	1.06	3.57	1.59
S	0.53	-	1.46	0.13	0.92	0.13	0.40	-	-	-	7.40	4.76	0.79	0.13	-	0.26	2.38	0.66	0.79	1.45	1.59
T	1.45	-	1.99	0.79	1.05	0.66	0.40	-	0.66	0.13	13.61	7.53	3.30	0.39	0.79	1.18	8.33	1.06	1.85	5.02	3.18
R	B	0.66	0.13	0.39	0.26	-	0.13	-	0.79	0.26	4.50	2.11	0.79	0.13	0.13	0.13	3.43	0.26	0.66	4.76	2.77
S	0.66	-	-	0.26	0.92	-	0.13	-	-	0.26	4.89	2.51	3.43	-	0.13	0.79	4.10	-	2.64	1.06	1.85
T	1.32	0.13	0.39	0.52	0.92	0.13	0.13	-	0.79	0.52	9.39	4.62	4.22	0.13	0.26	0.92	7.53	0.26	3.30	5.82	4.62

TABLE 11g: 1BS - Bargaining Behaviours in Phases

	Integrative						Defensive						Offensive									
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5	
I	B	-	0.87	0.29	0.29	-	-	-	-	-	0.29	2.31	-	-	-	-	-	2.02	-	-	-	-
	S	-	0.29	-	-	-	-	-	-	-	1.16	8.96	-	-	-	-	-	2.60	-	0.58	-	-
	T	-	1.16	0.29	0.29	-	-	-	-	-	1.45	11.27	-	-	-	-	-	4.62	-	0.58	-	-
PS	B	3.47	-	1.45	-	0.87	0.29	-	-	-	2.60	4.05	0.29	-	-	0.29	0.29	3.18	0.87	2.89	2.60	2.60
	S	4.05	-	2.03	0.58	-	-	-	-	0.58	10.41	14.45	-	0.87	-	-	1.45	0.87	0.29	2.02	2.31	2.31
	T	7.52	-	3.48	0.58	0.87	0.29	-	-	0.58	13.01	18.50	0.29	0.87	-	0.29	1.74	4.05	1.16	4.91	4.91	4.91
R	B	0.29	-	0.29	-	0.87	-	-	-	-	0.29	1.16	0.29	-	0.29	0.29	0.58	0.58	0.58	0.87	2.31	2.31
	S	1.45	0.29	0.29	-	0.29	-	-	-	-	1.16	-	0.58	0.29	-	-	-	0.58	-	1.16	2.31	2.31
	T	1.74	0.29	0.58	-	1.16	-	-	-	-	1.45	1.16	0.87	0.29	0.29	0.29	0.58	1.16	0.58	2.03	4.62	4.62

TABLE 11h: 2BS - Bargaining Behaviours in Phases

	Integrative						Defensive						Offensive								
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	0.33	1.65	0.66	0.66	-	-	-	-	2.64	2.64	-	-	-	-	-	1.65	0.66	0.33	-
	S	-	0.33	1.32	0.33	0.66	-	-	-	-	3.30	3.63	-	-	-	-	1.32	0.66	0.33	1.65	0.66
	T	-	0.66	2.97	0.99	1.32	-	-	-	-	5.94	6.27	-	-	-	-	1.32	2.31	0.99	1.98	0.66
PS	B	1.32	-	1.98	0.33	1.32	0.33	-	-	0.99	0.99	0.99	-	-	-	0.33	0.66	1.32	0.33	1.32	0.66
	S	1.65	-	0.66	0.66	1.98	-	-	-	-	10.56	5.61	-	0.66	-	0.33	2.31	0.99	-	1.98	1.32
	T	2.97	-	2.64	0.99	3.30	0.33	-	-	0.99	11.55	6.60	-	0.66	-	0.66	2.97	2.31	0.33	3.30	1.95
R	B	1.32	0.33	-	-	0.33	0.66	-	0.99	-	-	1.98	-	-	0.66	0.33	1.32	0.99	1.32	-	4.62
	S	1.32	0.33	0.33	0.33	0.99	0.66	-	0.99	-	4.29	3.63	0.99	0.33	-	0.33	0.66	1.65	0.33	1.32	4.29
	T	2.64	0.66	0.33	0.33	1.32	1.32	-	1.98	-	4.29	5.61	0.99	0.33	0.66	0.66	1.98	2.64	1.65	1.32	8.91

TABLE 11i: 3BS - Bargaining Behaviours in Phases

	Integrative						Defensive					Offensive									
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
I	B	-	0.24	-	0.48	0.24	-	-	-	0.24	2.41	3.37	-	-	0.24	-	2.17	0.24	-	0.96	0.24
	S	-	0.72	-	1.93	1.69	-	-	-	0.24	8.67	14.46	-	-	-	-	0.24	0.48	-	2.17	0.96
	T	-	0.96	-	2.41	1.93	-	-	-	0.48	11.08	17.83	-	-	0.24	-	2.41	0.72	-	3.13	1.20
PS	B	0.72	0.24	-	-	0.24	-	-	0.24	0.24	2.65	0.96	-	0.24	0.48	0.96	1.92	0.72	-	0.72	0.96
	S	0.48	0.24	0.24	0.48	0.24	-	-	0.24	0.24	3.13	2.65	-	-	-	-	0.24	-	-	1.69	1.69
	T	1.20	0.48	0.24	0.48	0.48	-	-	0.48	0.48	5.78	3.61	-	0.24	0.48	0.96	2.16	0.72	-	2.41	2.65
R	B	1.20	0.48	0.72	0.48	-	-	-	0.24	0.72	3.85	2.65	-	0.48	0.96	0.24	1.93	0.24	0.48	1.20	1.93
	S	2.17	0.48	2.41	0.96	0.48	-	-	-	-	4.10	1.45	-	0.24	-	0.24	0.48	-	0.48	1.45	1.93
	T	3.37	0.96	3.13	1.44	0.48	-	-	0.24	0.72	7.95	4.10	-	0.72	0.96	0.48	2.41	0.24	0.96	2.65	3.86

problem-solving phase, the main behaviours in 1SS and 3SS are Persuasive Self-supporting Arguments (28.19% and 13.61% respectively) and in 2SS, it is the Provide Information behaviour with 12.62%. The most frequently used behaviour in all the *resolution* phases is Persuasive Self-supports (5.41%, 4.76% and 9.39% in 1SS, 2SS and 3SS respectively).

When the totals for these behaviours are examined, it can be seen that, with the exception of 2SS, the Provide Information behaviours occur less frequently than in the British counterparts (10.66% and 12.41% for 1SS and 3SS respectively). However there is a larger disparity in the distribution of buyer-seller behaviours. In 1SS the buyer uses it 1.7 times less often than the seller (3.93% and 6.73% respectively); in 2SS, 1.8 times less often (6.55% and 11.97% respectively); and in 3SS, 1.5 times less often (4.88% and 7.53% respectively).

The Persuasive Self-supports, again with the exception of 2SS, also occur more frequently than in the British-British negotiations (34.75% and 23.13% for 1SS and 3SS respectively). With the exception of 3SS, there is also a significant dissimilarity in the distribution of these buyer-seller behaviours. In 1SS, the buyer uses this behaviour 2.4 times less often than the seller (10.16% and 24.59% respectively); and in 2SS, 3.3 times less frequently (2.13% and 7.05% respectively).

Where the integrative and offensive strategies are concerned, the preference for particular behaviours is less clear. This is particularly true of the integrative strategies in the *initiation* phase (which tend to be extremely short in the Singaporean-Singaporean negotiations) and the *resolution* phase. In the *problem-solving* phase, the Other-supporting Arguments occur most frequently in 1SS and 3SS (4.1% and 1.99% respectively), while in 2SS, it is the Initiation behaviours (3.93%).

As for the offensive strategies, there are again few clear preferences across the three negotiations. However, within 2SS and 3SS, the most offensive of all the negotiations, there are preferred behaviours. In 2SS, (see Table 11e) 24.92% of total behaviours are centred on Clarification (3.44%, 14.43% and 7.05% in the *initiation*, *problem-solving*, and *resolution* phases respectively). In 3SS, which is also the least integrative of the

Singaporean-Singaporean negotiations, 15.86% of behaviours are concentrated on the Persuasive Attacking Arguments (8.33% and 7.53% in the *problem-solving* and *resolution* phases respectively).

When the British-Singaporean negotiations are examined, the negotiations demonstrate marked differences in their employment of strategic behaviours. Looking first at 1BS (see Figure 3g), its distribution of strategic behaviours is comparable to its intracultural counterparts, in which the increase of offensive strategies is counterbalanced by an increase in integrative strategies. However, it is differentiated by its *resolution* phase, which has a relatively low distribution of defensive strategies (15.27%) and a relatively high distribution of offensive strategies (62.67%).

Like its intracultural counterparts, most of the strategic behaviours focus on the defensive, and like 1BB, tend to focus on the Provide Information rather than the Persuasive Self-supporting behaviour (see Table 11g). Furthermore, there is a noticeable difference in the distribution of buyer-seller strategies, far more significant than either 1BB or 1SS. Where the Provide Information behaviour is concerned, the buyer uses the behaviour 3.1 times less often than the seller (7.52% and 23.41% respectively). With the Persuasive Self-supporting behaviour, the buyer uses it 4 times less often than the seller (3.18% and 12.73% respectively).

2BS (see Figure 3h), has an atypical development of integrative strategies. Unlike other negotiations whose use of integrative strategies increases over time, 2BS opens with a relatively high distribution of integrative strategies (23.38%), which increase even further in the *problem-solving* phase (27.68%) before they decrease in the *resolution* phase (17.54%). Its low distribution of offensive strategies in the *initiation* and *problem-solving* phases (28.57% and 33.03% respectively) is more similar to 2BB than 2SS. However this changes in the *resolution* phase, where the offensive strategies increase to 50.88%, making it more similar to 2SS.

Although 2BS has an equal concentration on both the defensive and offensive strategies, most of the bargaining behaviours tend to focus on the defensive Provide Information and Persuasive Self-supporting behaviours (see Table 11h). (The bargaining behaviours in the

offensive strategies are less concentrated.) As with the 1BS, there is a very uneven distribution of the preferred defensive behaviours between buyer and seller. With the Provide Information behaviour, the buyer uses it 5 times less often than the seller (3.63% and 18.15% respectively), and with the Persuasive Self-supporting behaviour, he uses it 2.3 times less often (5.61% and 12.84% respectively).

When 3BS (see Figure 3i) is compared to its intracultural counterparts, its similarity of 3BB is apparent. The distribution of integrative strategies is almost identical: in the *initiation* phase 3BB has 11.84% compared to 3BS's 12.5%; in the *problem-solving* phase 3BB has 12.4% compared to 3BS's 12.6%; and in the *resolution* phase 3BB has 25.3% compared to 3BS's 27.05%. However the distribution of the distributive strategies is less similar. 3BS tends to use fewer defensive strategies in the *problem-solving* and *resolution* phases (45.3% and 37.53% respectively compared to 3BB's 55.99% and 42.17%). At the same time 3BS focuses more on the offensive strategies (42.1% and 35.42% in the *problem-solving* and *resolution* phases respectively, compared to 3BB's 31.61% and 32.53%).

When the specific bargaining behaviours are examined, the focus is again on the Provide Information and Persuasive Self-supporting behaviours (see Table 11i). These occur with almost equal frequency. Like the other negotiations in this category, there is a significant difference in the buyer-seller distribution of these behaviours. The buyer uses the Persuasive Self-supporting behaviour 1.8 times less frequently than the seller (8.91% and 15.9% respectively), and the Provide Information behaviour 2.6 times less often (6.98% and 18.56% respectively).

The data examined so far are consistent, to an extent, with Douglas' (1962) and Morley & Stephenson's (1977) seminal research in phase analysis. They both characterise negotiations as being primarily distributive in the initial stages, with later stages being more concerned with problem-solving. This seems to be borne out in the negotiations described above. In most cases, the *initiation* phases open with a low percentage of integrative strategies. However, as the negotiations progress, the integrative strategies also increase, which serve to offset the increase in the use of the offensive strategies. This is found in all the British-British negotiations as well as 1BS, 2BS and 1SS. In the case of

2BS and 3SS, the integrative strategies actually decrease in the *resolution* phase as the offensive strategies increase. As for 2SS, the most integrative negotiation in its category, the offensive strategies decrease as the integrative strategies increase.

Where specific behaviours are concerned, the research literature characterises behaviours in the opening phases as using "hard-hitting aggressive tactics ... Rather than gathering information relevant to the solution of the problem, its sides adopt positions which on the face of it render the solution impossible to achieve" (Morley & Stephenson 1977:258-259). This aspect of the *initiation* phase is not found in the present study's data, and is in fact contradicted by the data. Instead of relying on the "hard" tactics such as Negative Affect, Persuasive-attacking Arguments or the Coercive behaviours (Commitment, Threat, Promise and Demand), the negotiators in this set of data tend to focus on the "soft" tactics of information exchange.

According to Putnam & Jones, "the voluntary exchange of open and accurate information is critical for the tentative, exploratory nature of integrative bargaining" (1982b:268). At the same time, they also point out that "participants engaged in distributive bargaining seek maximal information ... while they disclose only a minimal amount of data" (1982b:268). This would particularly describe 1BS and 2BS whose buyers provide less information than the sellers and at the same time tend to request more information than the sellers do.

4.1.2 RECIPROCITY IN BARGAINING BEHAVIOURS

According to Putnam & Jones, "a critical factor in moving from distributive to integrative bargaining is reciprocity" (1982a:173). Thus this section considers the degree to which negotiators respond and react to each others' strategic behaviours and the influence this has on the negotiation. In order to determine the level of reciprocal behaviour, the frequency of each seller behaviour was compared to each buyer behaviour. Acceptable levels of reciprocity are either 1:1 occurrences of the same behaviour or occurrences that are 10% of either side of the 1:1 ratio. The occurrences of reciprocal behaviours are summarized in Table 12a-c, based on data from Table 11a-i.

Referring to Table 12a, it can be seen that the British-British negotiators tend to use reciprocal strategies that are integrative and offensive. Generally speaking 2BB has the most frequent occurrences of reciprocal behaviour, followed by 1BB and 3BB. In 1BB, three integrative behaviours are reciprocal (Initiation, Acceptance and Positive Affect), and three are offensive (Negative Affect, as well as Persuasive Attacks in the *initiation* and *problem-solving* phases). In 2BB, there are also three integrative behaviours that are reciprocal (Exploratory Problem-solving, and Negative Affect in the *problem-solving* and *resolution* phases) as well as five that are offensive (Persuasive Attacks, Request Information, Request/Provide Reaction and Clarification). Finally, 3BB has only one integrative behaviour that is reciprocal (Positive Affect). Of all the British-British negotiations, there is only one instance of a defensive behaviour (Provide Information) being used reciprocally and that is in 2BB.

Where the British-Singaporean negotiations are concerned, 2BS has the most frequent occurrences of reciprocal behaviour, followed by 3BS and 1BS. They have a similar distribution of integrative and offensive behaviours. For example, 1BS has one integrative behaviour (Persuasive Other-supports) that is reciprocal, and two that are offensive (Request Information and Clarification). In 2BS, there are five reciprocal integrative behaviours (Initiation, Acceptance, Persuasive Other-supports as well as Procedural statements in the *initiation* and *resolution* phases). There are also three integrative behaviours (Demand in the *problem-solving* and *resolution* phases, and Clarification) that are used reciprocally. In 3BS, there are three reciprocally used integrative behaviours (Acceptance, Persuasive Other-supports and Procedural statements) and three reciprocally used defensive behaviours (Demand, Request Reaction and Clarification). Defensive behaviours that are used reciprocally are centred on Commitment, used once each in 2BS and 3BS, and Promise, used twice in 3BS in the *initiation* and *problem-solving* phases.

In the case of the Singaporean-Singaporean negotiations, 2SS has the highest occurrence of reciprocal behaviours, followed by 3SS and 1SS. The reciprocally used behaviours tend to be more offensive. In 1SS for example, three offensive behaviours are reciprocal (Rejection, Persuasive Attacks and Clarification) as compared to one that is integrative (Positive Affect). Similarly in 2SS, six offensive behaviours are used reciprocally

TABLE 12a: Reciprocal Behaviours in British-British Negotiations

Phase	Integrative						Defensive						Offensive								
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5
1BB	I				X												X				
	PS	X	X										X				X				
	R																				
2BB	I																				X
	PS				X													X	X		
	R			X	X							X					X			X	
3BB	I																				
	PS																				
	R																				

Key:

I: Initiation Phase
PS: Problem-solving Phase
R: Resolution Phase

S1 Initiation
S2 Acceptance
PO Other-supporting Arguments
T6 Exploratory Problem-solving
A+ Positive Affect
P Procedural Statement

S4 Accommodation
S5 Retraction
C1 Commitment
C3 Promise
PS Self-supporting Arguments
T2 Provide Information

A- Negative Affect
S3 Rejection
C2 Threat
C4 Demand
PA Attacking Arguments
T1 Request Information
T3 Request Reaction
T4 Provide Reaction
T5 Clarification

TABLE 12b: Reciprocal Behaviours in Singaporean-Singaporean Negotiations

Phase	Integrative						Defensive						Offensive									
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5	
1SS	I																					X
PS					X												X					
R														X								
2SS	I																					
PS		X												X								
R									X	X				X	X		X	X				
3SS	I																					
PS																						X
R	X			X						X												

TABLE 12c: Reciprocal Behaviours in British-Singaporean Negotiations

Phase	Integrative						Defensive						Offensive									
	S1	S2	PO	T6	A+	P	S4	S5	C1	C3	PS	T2	A-	S3	C2	C4	PA	T1	T3	T4	T5	
1BS	I																					
PS																						
R			X															X				X
2BS	I		X			X																
PS																X						
R	X	X				X			X							X						X
3BS	I									X												
PS			X			X			X	X												
R		X														X				X		X

(Negative Affect, Threat, Persuasive Attacks, Request Information and Rejection, used once each in the *problem-solving* and *resolution* phases) while there is just one integrative reciprocal behaviour (Acceptance). Where 3SS is concerned, the reciprocally used behaviours are evenly distributed with two that are integrative (Initiation and Exploratory Problem-solving), two that are defensive (Promise and Persuasive Self-supports) and two that are offensive (Threat and Clarification).

Looking specifically at the *resolution* phases of all the negotiations, it can be seen that this is the stage at which most of the reciprocal behaviours tend to occur. In 2BB, five of nine reciprocal behaviours occur in the *resolution* phase, and in 3BB, one of one. In 2SS, there are seven of nine reciprocal behaviours in the *resolution* phase and in 3SS, there are five of six. Of the British-Singaporean negotiations, 1BS has all of its three reciprocal behaviours in the *resolution* phase, and in 2BS there are six of nine. Although the distribution of reciprocal strategies in 3BS is less prominent, four of nine reciprocal behaviours occur in the *resolution* phase. The exceptions are 1BB and 1SS, both of which received the lowest negotiator ratings in their respective intracultural categories. In 1BB, none of the reciprocal behaviours occur in the *resolution* phase, and in 1SS, it is one of four.

In contrast to the "Golden Rule" of "Do unto others as you would have them do unto you", which appears to characterise the British-British and British-Singaporean negotiations, there is also the antithetical axiom of "An eye for an eye" (Putnam & Jones, 1982a:171). The latter seems to reflect the approach adopted in the Singaporean-Singaporean negotiations. This approach tends to have reciprocal strategies which are more offensive, comprising "hard" tactics such as Negative Affect, Rejection, Threat and Persuasive Attacks. The use of such negative reciprocity can result in "conflict spirals" (Putnam & Poole, 1987:568). In contrast are the more integrative reciprocal strategies found mainly in the British-British and British-Singaporean negotiations. Even though they employ strategies which are offensive, many of them are in fact "soft" tactics of information exchange.

4.2 Rhetorical Strategies: Topics and Issues in Transaction Structure

In addition to providing a characterisation of the strategic development of the negotiations, the previous section also provides a limited extralinguistic context from which to analyse the linguistic procedures employed by the negotiators in order to realise their goals. This section, and the next, examines in greater detail how these linguistic procedures move the negotiation forward. The rhetorical strategies to be examined in this section look specifically at the issues of a negotiation and the way in which they are presented as arguments.

As the rhetorical strategies are realised in terms of when and how negotiation issues are employed in the Transaction structure, this section first provides a brief characterisation of these structures for each of the negotiations. Following that, the rhetorical strategies as realised in the *review* and *bargaining* Transactions are analysed according to the three different categories of negotiations beginning with the British-British negotiations in 4.2.1, followed by the Singaporean-Singaporean negotiations in 4.2.2, and the British-Singaporean negotiations in 4.2.3.

Transaction structures, as described in section 3.3.5, are made up of *review* Transactions (*background, contract, product*) and *bargaining* Transactions (*contract, product, integrated*). Each of these *review* Transactions comprises different Sequences and issues brought up by the negotiators for discussion. (A list is found in Table 10). When the issues are employed by the negotiators in the *bargaining* Transactions as arguments, they are referred to as *rationales*, either *proposing-rationales* in support of proposals or *opposing-rationales* when undermining proposals.

As the *bargaining* Transaction is the central part of any negotiation interaction, it is necessarily present in all the negotiations. This can be seen in Table 13. However, this is not the case with the three *review* Transactions. While the *background, contract* and *product review* Transactions are present in all the British-British and British-Singaporean negotiations (see Tables 13a and 13c respectively), this is not the case in the Singaporean-Singaporean negotiations. Of the Singaporean-Singaporean negotiations (see Table 13b)

TABLE 13a: Transaction Structure in British-British Negotiations²

1BB		2BB		3BB	
20	BACKGROUND REVIEW	1	BACKGROUND REVIEW	4	BACKGROUND REVIEW
66	CONTRACT REVIEW	15	PRODUCT REVIEW	29	CONTRACT REVIEW
130	PRODUCT REVIEW		[sauce]	61	PRODUCT REVIEW
	[all products]	69	CONTRACT REVIEW		[coffee]
237	CONTRACT REVIEW		[length]	100	BARGAINING
245	BARGAINING	89	[payment]		[coffee]
	[payment]	130	BACKGROUND REVIEW	179	PRODUCT REVIEW
260	[coffee]	139	PRODUCT REVIEW		[sauce]
294	[mayonnaise]		[coffee]	226	BARGAINING
304	[juice]	197	[juice]		[sauce]
324	[integrated sequence]	265	BARGAINING	268	PRODUCT REVIEW
			[integrated sequence]		[juice]
				367	[coffee]
				395	BARGAINING
					[coffee]
				428	[juice]
				440	[integrated sequence]

TABLE 13b: Transaction Structure in Singaporean-Singaporean Negotiations

1SS		2SS		3SS	
1	PRODUCT REVIEW	7	BACKGROUND REVIEW	3	BACKGROUND REVIEW
	[all products]	25	PRODUCT REVIEW	7	BARGAINING
34	BARGAINING		[sauce]		[integrated sequence 1]
	[integrated sequence 1]	200	[coffee]	232	[integrated sequence 2]
130	[integrated sequence 2]	274	[juice]		
254	[integrated sequence 3]	315	BARGAINING		
			[payment]		
		335	PRODUCT REVIEW		
			[sauce]		
		481	BARGAINING		
			[sauce]		
		554	[coffee]		
		590	[juice]		
		630	[sauce]		
		782	[integrated sequence 1]		
		843	[integrated sequence 2]		

TABLE 13c: Transaction Structure in British-Singaporean Negotiations

1BS		2BS		3BS	
3	BACKGROUND REVIEW	1	BACKGROUND REVIEW	7	BACKGROUND REVIEW
15	PRODUCT REVIEW	48	CONTRACT REVIEW	49	PRODUCT REVIEW
	[all products]	78	BARGAINING		[sauce]
76	CONTRACT REVIEW		[integrated sequence 1]	77	[tea]
98	BARGAINING	107	PRODUCT REVIEW	135	[sardines]
	[integrated sequence 1]	109	CONTRACT REVIEW	175	CONTRACT REVIEW
196	BACKGROUND REVIEW	129	BARGAINING	251	BARGAINING
214	BARGAINING		[integrated sequence 2]		[integrated sequence]
	[integrated sequence 2]			500	[payment]

² Items in brackets illustrate the main topics of discussion in the *product review* and *bargaining* Transactions. Topics under the *background* and *contract review* Transactions are illustrated when necessary.

2SS has two of the three *review* Transactions while 1SS and 3SS have just one each. 1SS is also the only negotiation that does not have a *background review* Transaction.

Interesting differences can be observed in the ordering of the various Transactions across the three categories of negotiations. In the British-British negotiations, 1BB and 2BB have similar structures in which all the *review* Transactions precede the *bargaining* Transaction. However, 2BB is less systematic than 1BB in that the *background* and *product review* Transactions are each repeated a second time (beginning turns 130 and 139 respectively) to complete the discussion of relevant issues. 3BB has an alternative structure in which the *background* and *contract review* Transactions are dealt with first. Then the basic structure alternates *product review* Transactions with *bargaining* Transactions with each of the products being dealt with methodically.

In comparison, the structure of the Singaporean-Singaporean transactions are relatively straightforward as can be seen in Table 13b. Both 1SS and 3SS have a short *review* Transaction each before the negotiation moves onto the *bargaining* Transactions. Once the *bargaining* transactions are initiated, the negotiators do not return to the *review* Transactions. The exception is 2SS which has two *product review* Transactions and two *bargaining* Transactions which alternate. In contrast to the British-British negotiations, a common feature found in all the Singaporean-Singaporean negotiations is the *bargaining* Transaction with more than one integrated sequence. (An integrated sequence is an Exchange that synthesises all the issues under discussion.)

When the Transaction structure of the British-Singaporean negotiations are analysed, each of them is found to be unique in itself. Looking first at 3BS in Table 13c, it can be seen that its structure is almost identical to 1BB/2BB in that all the *review* Transactions precede the *bargaining* Transaction. However its *bargaining* Transaction is unusual in that its integrated sequence (between turns 251-500), typically the final topic in all the other negotiations, is succeeded by a *bargaining* sequence with a focus on a *contract* issue (beginning turn 501).

1BS and 2BS are also similar to the 1BB/2BB structure, but they both have *bargaining* Transactions that are interrupted by *review* Transactions. In the case of 1BS it is a

background review introduced in turn 196, and in 2BS, it is a *product review* in turn 107 followed by a *contract review* in 109. At the same time, perhaps because of the inserted *review* Transactions, they each have two integrated *bargaining* sequences, a feature which is more similar to the Singaporean-Singaporean negotiations.

Unlike the *review* Transactions that alternate the *bargaining* Transactions in 3BB and 2SS, the inserted *review* transactions in British-Singaporean are much shorter and are of a different nature. In 3BB, it is clear that the negotiators have focused their negotiation around the different products rather than the various issues, hence the systematic alternation between the *review* and *bargaining* Transactions organised according to the three different products. In 2SS, the alternation arises from the need to clarify information. Neither of these appears to be the case in the British-Singaporean data where both instances seem to be introduced as avoidance strategies. (This feature is discussed in section 4.3 when the interactional procedures are examined.)

The following sections examine the rhetorical strategies in terms of the three categories of negotiations set up by this study. In each case, the opening sections of the *bargaining* Transactions are examined as they are central in understanding the development of the issues.

4.2.1 *The British-British Negotiations*

The Transaction structure of the British-British negotiations described above encourages a distinctive rhetorical strategy that can be identified in all the negotiations. There is a clear preference for the *rationales* introduced in the *bargaining* Transactions to be based on the issues that have already been mentioned in the *review* Transactions. Each of the British-British negotiations' opening proposals in the *bargaining* Transaction are examined to characterise this rhetorical strategy.

The extract³ below is taken from the opening section of 1BB's *bargaining* Transaction. It illustrates the three issues (credit length, contract length and volume) that AM, the seller, introduces in his payment proposals. It also illustrates the *rationale* LB, the buyer, introduces in line 241 to reassure AM of the financial standing of LB's company.

- [1] 237 LB: what sort of premium are you charging now/ credit/ interest wise/
 238 AM: well/ on a CAD basis with ^(a)**sixty days** usual customers we would
 charge about one and a half percent above base rate/ if we were to look at
^(b)**a six months contract**/ on ^(c)**this sort of volume**/ with an option to
 renew/
 240 I imagine we could reduce that/ maybe to one and a quarter/
 241 LB: yeah/ ^(d)**we don't have any problems raising credit**/
 242 AM: no from our side/ I would admit we've done a bit of a search on your
 company/ we've had good feedback from there/
 244 so we were not particularly worried on our side/

All the issues AM introduces as part of his proposal have been previously discussed earlier in the negotiation during the *contract review* Transactions. The following extracts briefly illustrate the points at which they were mentioned.

- [1^a] 101 LB: well the sort of credit that would compete with our existing suppliers/
 would be **thirty to sixty days**/
 102 AM: that's pretty normal/
 [1^b] 66 AM: so how long a contract are you looking for/
 67 LB: well as I say we usually like to tie things up for **six months to one year**/
 very much depends on the price as to whether we go for six months or
 for one year/
 [1^c] 102 AM: how many cartons would you be looking for let's say on a six month
 contract/
 103 LB: on a six let's say on a monthly basis we'd be looking at say **a thousand**
cartons of each product/

LB's *rationale* of his company's financial standing was also established earlier in the *contract review* Transaction:

- [1^d] 72 AM: but with a company like yourself/
 74 with the reputation that you have/
 76 I'm sure that we can come to some agreement/
 77 LB: right well we'd be quite happy to **provide financial information**/ should
 we come to talk about credit terms/

³ The extracts have been simplified because of space restraints and omit features only where they do not interfere with the procedures being discussed. It should be stressed that the actual analysis of the procedures was based entirely on the full transcripts. Reference to these can be made in Appendices F-H. The simplified extracts mainly omit repetitions, hesitations and pauses. They also omit features such as back-channel devices that are 'Go-on's, unsuccessful Uptakes, and more rarely, subordinate Exchanges that are repetitious clarifications of the main Exchanges.

The negotiators continue after turn 244 in extract 1 with a few other counter-proposals between 245 and 260. AM continues the *bargaining* Transaction by initiating the price proposals illustrated in extract 2.

- [2] 260 AM: on the coffee side/ ^(a)**sixty-five thirty-five**/ looking at the general retail prices that you're charging/ on your other brands/ you have on the shelf/ obviously we're not certain as to the wholesale price that you're paying/ but ^(b)**your margins would seem to be fairly high**/ and as we believe that the ^(c)**quality of the coffee** we'd be supplying you is as good if not slightly superior/
262 we would look to charge what you would most probably be thinking as a fairly high price/ but I'm willing to reduce it as it's a first time deal/ I'd say more ^(d)**on a good will basis**/ and I suppose we'd be looking on a joint pricing scale/ sixty-five thirty-five/ at around 1 dollars per thousand/ per month/

Of the *rationales* used in AM's proposal, only LB's purported profit margins have not been previously discussed. The "sixty-five thirty-five" figure is a reference to the proportion of granulated to powdered coffee in the order discussed as part of the quality issue in *product review*:

- [2^a] 155 LB: I mean you supply powdered and granulated/
156 AM: yup/
158 do you have any particular preference/
159 LB: well it seems to us that the demand for granulated seems to be growing/ so I would say if we could if we do come to terms I'd be looking at **sixty-five thirty-five** in favour of granulated/

The other aspect of the coffee's quality is also developed a few turn later in the *product review*, illustrated in the extract below.

- [2^c] 172 AM: have you tested our coffee/
173 LB: yes we've tested it/
174 AM: how do you find that on a scale of zero no premium to ten premium/
175 LB: over the existing brands/
176 AM: yeah/
177 LB: I think it's on a par with existing brands/ your tasters must test the competitors' coffee/
178 AM: yeah/
we would say from looking at the products you've been selling on your supermarket chains/ our product is a lot comes down to personal taste/
180 but we would say that quality wise it was as **good if not slightly better**/
181 LB: right/

AM's claim of good will in 262 is not developed explicitly in the *review* Transactions, but there are at least two occasions where good will is indirectly expressed:

- [2^{d1}] 20 AM: last few years have been fairly successful/ not too bad/ you know that we do a fair amount of business with other people/
21 LB: yes/

- 22 AM: and you're one of the ones we haven't been able to do anything with/
 23 LB: right/
 [2^{d2}] 40 AM: well I mean obviously since you're let's say in the top three and we
 haven't done business/ we feel **it's very important to meet and have a
 personal contact/**
 :
 but our main priority is to get our quality of goods onto the
 supermarket shelves/
 47 LB: yes/
 48 AM: and if you're one of the largest/ it has to be in your stores if we can do
 it/
 49 LB: right/

Following AM's price proposals, LB provides a response illustrated in extract 3. In doing so, he employs three *opposing-rationales* based on the issues of pricing, relationship and company practice.

- [3] 263 LB: well that sort of price is really pretty high ^(a)**compared to our
 competition/** the people we've been doing business with sorry with **your
 competition/** we've been doing business for so long/ we have
^(b)**established a good relationship** with them/ they understand our
 needs/ they understand the fact that the goods have to remain on the shelf
 for a long time/
 265 that wholesale prices against shelf prices really only tell a quarter of the
 story/
 266 AM: what's the other/
 267 LB: well the other three quarters of the story is overheads in terms of staff
 269 rental etc etc etc general overheads/ and ^(c)**main thing of course is
 financing/**
 270 AM: yup/
 271 LB: financing is our biggest expenditure/ item/ after salaries/ apart from the
 principal cost of the actual commodity that we're buying/

Of the three *rationales*, only the issue of company practice dealing with the aspect of financing is previously developed in the *product review*, illustrated in 3°. The other two *rationales* employing the issues of price and relationship are new.

- [3°] 235 LB: we can increase our margins but then on the other hand obviously we
 takes us longer to dispose of the stocks/ **so financing is probably a little
 bit more/**
 236 AM: right so in that so if we can help you on the credit/
 237 LB: yes exactly/

When the rhetorical strategies in 2BB are examined, they show a similar procedure in the employment of issues. The opening section of the *bargaining* Transaction is presented below. KB, the buyer, makes his initial proposals integrating price and payment terms. In his proposal, he clarifies two issues: the fact that this is a package deal and the payment

terms. At the same time, he presents four *proposing-rationales* to support the price proposals for each of the products. ("One" is a reference to the unit of volume for orange juice that he established with BH.)

- [4] 287 KB: now in one/ we're looking basically at ⁽⁴⁾**children and mothers** and all this sort of thing so we obviously can't wind the the prices too high on that one/ our ⁽⁵⁾**ability to get a reasonable price in coffee is better** we believe/ and as far as the tomato sauce is concerned/ well everybody uses it everybody has it/ we're ⁽⁶⁾**aiming at a local population** but of course we're ⁽⁷⁾**very much in competition with everybody** else who's selling similar sort of products/ so as far as we're concerned/ the juice one we would certainly and we're talking ⁽⁸⁾**package now of the three different products**/ certainly as far as we're concerned/ price *A* is the one that we would wish to secure on that/ with the ⁽⁹⁾**sixty day terms**/
- 289 **products**/ certainly as far as we're concerned/ price *A* is the one that we would wish to secure on that/ with the ⁽⁹⁾**sixty day terms**/
- 291 the coffee/ we could in fact offer to improve your prices there slightly and go to *B*/
- 293 and tomato sauce again which is highly competitive area we would be prepared to go with price *A*/

Of the four *proposing-rationales* KB introduces, only the competitive nature of the tomato sauce has not been previously discussed. However the other three *rationales*, dealing with each of the three products in turn, were all first introduced in the *product review* Transactions. Where the orange juice is concerned, it is in fact BH, the seller, who introduces the issue while advancing his own position on the promotions package:

- [4^a] 228 BH: on the juices you know again I think the presentation is all important and exactly where you aim your market at/ whether you aiming at children/ or whether you're aiming at the adult population/ I think packaging then becomes an all important effect for promoting this/
- 229 KB: [yeah/ mm/
- 230 BH: **and if you wish] to really aim at the children who I guess drink an awful lot of this stuff**/ every school kid has two in their packs to go to school or something like that/
- 231 KB: right/
- 232 BH: and you know we could perhaps do something along that line/

The *rationales* for the other two products were developed by KB, based on the issues of pricing for coffee (see 4^b) and customer profile for tomato sauce (see 4^c):

- [4^b] 165 KB: yah/ well/ we can we can look at that I mean certainly if from our point of view **we would probably be able to secure slightly better pricing on that** than we would be able to do for example with tomato sauce/
- 166 BH: [yah/ that's
- 167 KB: but e:rm]
- 168 BH: yah=
- 169 KB: =but at the same time obviously we'd still be looking to maintain our margins wherever possible/
- [4^c] 31 KB: well I think obviously from our point of view if **we're really aiming for the local market**/ with just hopefully a bit of spin off on the other side/
- 33 we would presumably be wanting to go for the sweeter one rather than the than the tart one/

- 45 KB: but that certainly I think as far as the tomato sauce is concerned I think we would be aiming very much at that sort of area/

As far as the other terms of the proposal are concerned, that is the package deal and the payment terms, these too are discussed earlier in the negotiation. The package deal is confirmed as part of the *bargaining* Transaction just before the price proposals are initiated (see 4^e) while the payment terms were confirmed in the second *contract review* (see 4^f).

- [4^e] 274 BH: perhaps we can just say well OK are we really talking about a sensible sized order/ or contract that's going to last for six months/ are we really taking all three products together and lumping them together and saying/ OK let's get a package deal out of this which makes a lot of sense/ you know are we going to pick at each one [because
275 KB: I:'m] basically looking at a package deal approach to this/
277 I would want to sign up initially for a six month trial period/ which would be then reviewed at the end of six months/
- [4^f] 95 KB: well I think it'd be worth you're knowing that currently our terms we're getting from our existing suppliers is sixty days/
96 BH: well that's not unreason[able/

When BH responds to KB's proposal, he follows a similar procedure of basing *rationales* on issues previously discussed in the *review* Transactions. This is illustrated in turn 294 in which the first three are *opposing-rationales* presented to invalidate KB's proposal and the following two are *proposing-rationales* presented to support his own counter-proposals.

- [5] 294 BH: well I'm not very surprised seeing that the price *A* really is a give-away/ and ^(a)really is for absolute maximum volume in terms of dispatches to you/ and it's really not something that we'd be interested in letting you have I don't think certainly for ^(b)a six months period/ and on ^(c)the sort of volumes that we're talking about/ and ^(d)the pricing in fact is based on our experience world-wide of the prices that can be obtained from our products which we like feel ^(e)with sufficient advertising/ should increase your turnover immensely anyway/ and hence your profitability/ and really I think that normally we would be saying to you OK for this six months period/ where we're both exploring/ let's be sensible and we would probably not go for *I* or *H* but certainly be looking for *G* anyway/

Of the three *opposing rationales* only the issue of contract length was previously mentioned as can be seen in extract 4^e above (turn 277) as well as a position taken by BH in 5^b:

- [5^b] 80 BH: I'd guess twelve months would be too long for us/ the banks don't like a
 82 twelve months contract/
 six months would be fine/

In contrast, the two *proposing-rationales*, based on pricing and promotions issues, are both discussed in the *review* Transactions and are illustrated in extract 5^d and 5^e respectively. The promotions issue is discussed in each of the *product review* Transactions dealing with the three products under discussion; 5^{e1} sauce, 5^{e2} coffee, 5^{e3} juice.

- [5^d] 164 BH: yeah that probably **restricts our ability to flex the price too much**/
 because obviously the there are there are set patterns for pricing of the
 national and the international products/
 165 KB: yah/ well/ we can we can look at that
- [5^{e1}] 65 KB: but as far as **assistance with advertising** and so on that's certainly
 something which I'd like to
 66 BH: well we can certainly
 67 KB: ex[plore/
 68 BH: ex]plore that one yes/
- [5^{e2}] 173 KB: since we're talking an international brand/ do you do any advertising in
 the local market/ for any particular brand of of coffee/
 174 BH: we don't at the moment/ but there's no reason why we shouldn't either use
 the the local press which I understand is probably the most expensive in
 the world incidentally but
 176 still **we'd be prepared to look at that and also television advertising**/
 178 although] again you know there is a cost involved
- [5^{e3}] 251 KB: and **we'd be looking for some advertising help** with that/ on the same
 sort of basis/ that we discussed earlier/ although I suppose on that one the
 TV side in fact is something which goes quite well/
 :
 256 BH: I think] that providing your promotion within the store coincides with
 and obviously it would coincide with the TV advertising/
 258 I think] you'd get a tremendous impulse sales/
 260 from that] anyway/

The same rhetorical strategies are also observed in the final British-British negotiation, 3BB. The first proposal in the *bargaining* Transaction is put forward by BB, the seller. Most of his proposal deals with the clarification of the contract terms such as quantity, branding, in-store promotions and advertising. In addition, he also has a *proposing-rationale* based on the package deal offer.

- [6] 105 BB: but coming down to our actual price structure/ I think you may've been
 given our basic price list/ that gave an indication of the nature of our
 pricing mechanism/
 106 RP: yes/

- 107 BB: and for ^(a)a thousand cases/ our normal price/ for first time delivery/
would be price I/
108 RP: right/
109 BB: now perhaps I should add that of course price I does include ^(b)your
label/ we would print your label/ price I could include ^(c)the two ladies
for the five days/ who'd be responsible for in a sense pushing that
particular product/ with your shoppers/ it would if you wish include
^(d)**fifty percent of the newspaper advertising costs**/ if you wished to
take one of the half-page adverts in the Straits Times/ and I've seen you
using from time to time where you will actually identify selected brands/
at particular prices/ in order to push those particular products/ we would
be willing on again a five day/ each day one half page advert/ we would
pay fifty percent of the advertising costs/ within price I/ so ^(e)it's a
package really/ we're not saying here's the coffee/ here's the jar/ let's
have your cheque please/ we're saying/ there's the price/ those are the
services we offer with that price/

Of all the issues and *rationales* BB employs, only the promotions issue on advertising is new. The following extracts illustrate how each of the remaining *rationales* have been previously mentioned in the earlier *review* Transactions:

- [6^b] 34 RP: and what sort of minimum order would we have to give/
35 BB: to be honest a little bit more than the levels we're going to speak about
today/ I understand
37 **that a thousand cases of each of the three products is in mind**/
- [6^c] 48 RP: are you able to: **package** the goods for us **with our own brand name**
on/
49 BB: absolutely/
- [6^d] 31 BB: so that if you wanted to **conduct an in-store promotion**/ we can indeed
suggest a couple of young ladies come and spend five days with you and
tempt your shoppers/ into in fact buying the particular products that we
seek to sell to you/
32 RP: that would all be free of charge/
33 BB: that would be **free of charge**/ normally on a five day basis/ we would
normally put that in [for five days/
- [6^e] 24 RP: it's not just price which is important/ we also have to look at the quality
of the food/=
26 the style of the packaging/ and the other terms you can offer such as
speed of your delivery/
28 and the the credit terms you require/ so **it's the whole package/ which**
we're interested in/
29 BB: fine/

RP's response to BB's proposal is illustrated below. His use of *rationales* has less of a foundation in the *review* Transactions as none of them have been previously mentioned, although the *rationale* in 134 could be a reference to the package deal referred to in extract 6^e.

- [7] 122 RP: compared to our existing suppliers/ those prices are rather on the high
side/

- 124 and we can certainly ^(a)get much better value else where/
 126 and from our point of view/ given the profit we'll be making/ there's little
 incentive to take on new lines/
 128 and to try and push those at those levels/ I mean it's something where we
 can go to our existing suppliers/
 130 and they can offer better terms than these/
 132 and we already know that ^(b)they're capable of meeting our
 requirements/
 134 by going to someone other than our normal supplier/ we were ^(c)hoping
 that perhaps we could maybe get a better price/ or a better service/
 136 at the moment what you've offered is not as good as we can already get/

It is clear that the preferred rhetorical strategy of the negotiators in the British-British interactions is for a procedure that discusses issues in the *review* Transactions first before they are re-introduced as *rationales* in the *bargaining* Transaction. In this sense, this strategy could be said to be *grounded*. The degree to which this is true can be seen in the number and coverage of issues introduced in the *review* Transactions. All the British-British negotiations covered the five main topics of *add-on services*, *business operations*, *market potential*, *contract terms* and *product information*. 3BB had the widest coverage of issues (15), followed by 1BB (14) and 2BB (12).

It is during these *review* Transactions that negotiators introduce and logically develop individual issues, linking them coherently in order to construct bargaining platforms from which to elicit and resist movement. This logical connection between the development of issues in the *review* Transaction and their eventual use as *rationales* in the *bargaining* Transactions can be seen in the realisation of the *proposing-* and *opposing-rationales*. Where the former are concerned, negotiators have better control in preparing the relevant issues in the *review* Transactions which results in them being more adequately developed. On the other hand, negotiators have less control over *opposing-rationales* (although they can of course be anticipated) and consequently these tend not to be *grounded* issues (see extracts 3, 5 and 7).

4.2.2 The Singaporean-Singaporean Negotiations

As would be expected from the earlier analysis of the Transaction structure, the rhetorical strategies employed in the Singaporean-Singaporean would have to be different from their British counterparts given the limited number of *review* Transactions. Furthermore, the

number of issues covered in each of those *review* Transactions is similarly limited. In all, there are just three issues covered in 1SS (one each from the Sequence categories of *product information*, *market potential* and *contract terms*) and just one in 3SS (from *business operation*). 2SS has the widest coverage of issues with eight issues covering all the topics except *add-on services*.

Given that 2SS has the widest coverage of topics and issues, it would be expected that its rhetorical strategies would be most similar to the British-British negotiations. However, when the opening of the *bargaining* Transaction of the 2SS negotiation is examined, it is clear that this is not the case. As can be seen in extract 8, there are few *rationales* or issues related to contract terms introduced in this first proposal. Of the two *proposing-rationales* PS, the seller, employs in turn 321, neither has been mentioned in the *review* Transactions. The same is true of DL's *opposing-rationales* in 326.

- [8] 315 PS: then we talk about the payment terms lah/ okáy/
 316 DL: mm/
 317 PS: áh/ then
 319 it's: cash on delivery/
 321 as this is ^(a)the first time we do business ah/ it's ^(b)not that we don't
 323 trust you/
 324 DL: [m-hmm/
 325 PS: but you] know háh
 326 DL: but my ^(c)othe:r sellers are giving me very good terms on that but
 ^(d)their pricing again is better than yours so
 327 PS: is it/ [okay/ let's look at it/
 328 DL: based on] your pricing I don't think we can do business in the first place
 don't talk about credit terms you know/
 329 PS: alright [okay/
 330 DL: yah/
 331 PS: then let's look at the pricing first [alright/ let's go through
 332 DL: okay/ yah/]

At the end of this short *bargaining* Transaction, the negotiators return to a *product review* Transaction in which PS further elaborates his complicated pricing structure. When the negotiators return to the second *bargaining* Transaction, partially illustrated in extract 9, the rhetorical strategy in this Transaction is similar to the first. In other words, few *rationales* are introduced to support proposals and where they are (see turns 481, 487 and 489) they have not been previously mentioned in the *review* Transactions.

- [9] 481 PS: what sort of discount your ^(a)competitor is giving you/
 482 DL: I'm negotiating with them based on F/
 483 PS: F price áh/
 484 DL: m-hmm/
 485 PS: sure/
 486 DL: yah/ so yours is I/ I cannot/ can you meet their price not/

- 487 PS: sorry/ it's ^(b)below cost/
 488 DL: below cost áh/=
- 489 PS: =yah/ you ^(c)may get rotten goods for the other one/ (laughs)
 490 DL: what's your best price/
 491 PS: I'll tell you okay/ ^(d)for two thousand áh/ for two thousand cases lah háh/
 493 I give you / lah/ and then for coffee and juice áh/ [I can do the:::
 494 DL: no wait I can't do for] you/

In addition to the *rationales*, however, this extract includes the contract issue of quantity in 491. This issue is introduced early in the *review* Transactions and is an intrinsic element in the pricing structures set up by PS. The point at which it is introduced is illustrated in extract 9^d below:

- [9^d] 124 DL: give me your proposal/ what is your **quantity** and which **price**/
 125 PS: alright now/ if you ask fo:r just one thousand/
 127 I cannot give you a discount/
 128 DL: okay/
 131 PS: if you ask for more/ let's say anything above ah okay between one
 thousand/ to five thousand cases/
 132 DL: u-huh/
 135 PS: I give you five percent discount/ right/ one thousand to five thousand I
 give you five percent discount/ five thousands onwards
 136 DL: m-hmm/
 137 PS: okay five thousand onwards ah/
 139 I give you about six and a half precent discount/
 140 DL: okay/

Although 2BB's *review* Transaction comprises quite a few issues, its rhetorical strategy does not employ these issues as *rationales* in the same manner as the British-British negotiators. As the issues are not sufficiently developed (a point illustrated in section 4.3), their employment as *rationales* tends to be one of repetitive use. This can be seen in the frequent and consistent use of the quantity issue in association with the price proposals. At a later stage, the issue of interpersonal solidarity is also used in the same way (also illustrated in section 4.3).

In 1SS the *bargaining* Transactions also employ a large number of "ungrounded" *rationales*, illustrated in extract 10 and 11. Extract 10 is taken from the opening of the *bargaining* Transaction and shows RM, the buyer, proposing issues dealing with payment (38), quantity (42^e), contract length (42^h), branding (42ⁱ) and promotions (44). These are all new issues that have not been previously discussed except for quantity (illustrated in extract 8^e). At the same time he employs several *proposing-rationales* in support of these proposals, such as the terms he gets from other suppliers (34), the new status of KS's

product (42^e), and the need for aggressive marketing tactics (42^f). In order to undermine KS's counter-offer of an LC in turn 42, RM also employs *opposing-rationales* such as the fact that it is a small order (42^e) and the standing of his company (42^d).

- [10] 34 RM: your terms of credit is normal thirty days/ sixty days/ or hundred and eighty/ because we have ^(a)**different suppliers who offer us different** from thirty sixty to ninety/
 35 KS: actually we prefer to go on the CAD basis/
 36 RM: CAD/
 37 KS: yes/
 38 RM: well as you understand in any supermarket operation we ^(b)**need to have credit** so that we can have the turnover/
 40 most of the suppliers in fact all of them current suppliers are giving us from thirty to ninety days credit/=
 41 KS: =but are you prepare to use an LC for hundred and eighty days/
 42 RM: for ^(c)**a small quantity** if we were to take a thousand cases of each of them I don't think an LC is necessary/ our ^(d)**reputation of our company** you know is far fetched wide/ we are also well entrenched in the Far East/
 we are interested especially in category A product because if we were to hit the market and ^(e)**being new yourself**/ we will like to ^(f)**hit the market with a real impact** if possible/
 on ^(g)**quantity wise** a thousand cartons is no problem/ we will like to have a ^(h)**longer relationship**/ suppose we were to use our ⁽ⁱ⁾**own brands**/ all right/ erm=
 43 KS: =right/
 44 RM: and if we were ready to attack the market we propose that we share ^(j)**advertising costs**/ right/ half half fifty fifty let's say/ and really go into the market and hit the market/ would that be agreeable/ this first point/

Of the contract terms proposed and the *rationales* introduced in the above proposal, only two have been previously discussed in the *review* Transactions. The first in the issue of quantity illustrated in 10^g, and the other is the issue of product status (relevant only to the mayonnaise product) illustrated in 10^e.

- [10^g] 24 RM: but the taste bud of the local market is that they have been using a lot of mayonnaise/ I understand **the minimum quantity** you would sell for each category product is a thousand cases/ is that true/
 25 KS: yes for because of the packing and shipment/ we prefer it to be in container/
 27 so for a thousand case would be a more attractive type for packing wise/
 [10^e] 22 RM: :
 mayonnaise is OK but mayonnaise we **have to face strong competition** from especially from Europe/ I think there are about our competitors we have checked about five others are supplying to the market/=

KS's initial response to RM's proposals are presented in extract 11 below. In it he first presents several *opposing-rationales* based on the issue of company performance (53), relationship (57), and product status (59). He then presents a number of *proposing-*

rationales based on the issue of negotiation criteria such as the need for a package deal (63 and 67) and customer preference (71).

- [11] 53 KS: you see ^(a)in Japan for instant coffee we are the biggest/=
- 55 manufacturer in Japan/ we capture about forty-five percent of the
- Japanese market/
- 57 so even with local I think some of the ^(b)Japanese supermarket are
- even quite willing to even taking from us from this product/
- 59 which we foresee it ^(c)can be of great potential here/
- 61 before we like to enter into more closer kind of agreement with you/
- 63 so: of course we are looking into ^(d)three product together/ I would say
- our instant coffee we can market quite well/
- 65 because we have been approached by some of the local Japanese
- 67 supermarts/ so I hope we can work out together for some kind of
- arrangement/ so for I think I mean to ^(e)develop together of course we
- have to come in pricing/ and in term of quantity/=
- 69 for us to stay in this market/=
- 71 I hope to develop for actually for frozen juice/ I think we have the
- potential here/ I have done some ^(f)market survey/ before I come here/
- so I think we have a potential of selling about four thousand cases a
- month/
- 73 can you really take up to that quantity on your projection wise/

None of these issues have been previously discussed in the *review Transaction* of the negotiation except for the quantity issue as illustrated above in 10⁸. (Although KS appears to be contradicting himself at this point, his position is clarified in the rest of the Exchange.)

Of the ten issues that RM introduces in his proposal and the seven that KS introduces in his counter-proposal illustrated in extracts 10 and 11, there is one clear overlap in the issue of quantity. In addition, there is also some overlap in the related issues of product status introduced by RM (whose *rationale* can be glossed as "your product is new and needs to be cheap in order to attract potential customers) and the issue of company performance introduced by KS (whose *rationale* could be glossed as "it might be a new product in Singapore but it is well-known in other markets"). These issues are subsequently reiterated on numerous occasions in the rest of the *bargaining Transaction* (illustrated in greater detail in section 4.3)

As would be expected, 3SS has a strategy similar to the other Singaporean-Singaporean negotiations. Its *bargaining Transaction* also opens with *rationales* that are "ungrounded", illustrated in extracts 12 and 13. In fact, the seller's first proposal and the buyer's counter-proposal are largely unsupported by *rationales* except for the latter's

brief employment of the pricing issues in turn 10. However, his counter-proposal does include three issues, namely payment terms, type of relationship, and quantity in turn 12. It is only when AL, the buyer, asks for a justification of HC's pricing (turn 12) that *rationales* are introduced. The *proposing-rationales* that HC introduces are based on the issues of status (13^a), customer preference (13^b) and branding (13^c).

- [12] 12 AL: :
may be you could look through and see how you could deviate the prices so much from the other suppliers/
13 HC: I think the other suppliers are different from us in the sense that ^(a)**our brands are really well-known/** and ^(b)**they sell well/** I can show you sales figures of other supermarkets which which we are supplying to and you can see from there that you know our brands really sell well/ and we also ^(c)**specially package** our foods according to your specifications to fit the needs of your customers/ I'm sure you have a wide range of customers with different taste and so on/ so we can specially package our products to meet your needs/ for example/ tomato sauce/ we can give you a taste which is either sweeter or a more tart taste if you prefer that/=

AL responds with a series of *opposing-rationales* based on company practice (14^a), pricing (14^b), and different aspects of the status issue (16^c, 16^d). He follows this up with a single *proposing-rationale* in 18 based on the issue of company practice.

- [13] 14 AL: =er I'm sorry if I may interrupt áh/ now if you are talking about prices that we just quote áh/ I'll be ^(a)**incurring losses** áh/ so if you were to hope to achieve anything ér/ the ^(b)**prices will have to** be drastically adjusted ér/ to:
16 **come in line with/ competitors' product/** now let me just illustrate from our experience/ the tomato sauce/ coffee/ juice/ there are ^(c)**a lot of substitute in the market/** now if you even how differentiated your packaging would be/ still it is a ^(d)**new item** that it has not been launched in our stores/ we in fact has many such product/
18 and selling very well/ what our intention is when we get in touch with you is we want to ^(e)**increase the product range/** and that being so your your price/ must stay close to what what we are able to get from other suppliers/ now if you are unable to provide the prices close to what I quoted to you earlier on/ is not that we may not be able to consider the purchase from you/ it's on the basis that you will not sell at all you see/ so if you can't sell/ and at the price you quote you're making losses/ then it's impossible to talk even further/

As with HC, all of AL's *rationales* are based on issues that are mentioned for the first time in the *bargaining* Transaction. Of the eight issues introduced in the initial stages of the *bargaining* Transaction, there is just one overlap in the status issue. HC's *rationale* of the issue can be glossed as "my prices are justified because my products are differentiated", while AL's *rationale* can be glossed as "your differentiated products won't

sell because there are many substitutes". These *rationales* are repeatedly used throughout the negotiation (as illustrated in section 4.3).

A main characteristic of this strategy is the manner in which issues of common interest are identified. Given the limited *review* Transactions, this appears to be accomplished in the opening stages of *bargaining* Transaction in which a variety of new issues are introduced. The significant issues are promptly identified as they are taken up in the responses of the interlocutors and subsequently given greater prominence through their repeated use. If the primary characteristic of the British rhetorical strategy is its *grounded* logical development of issues, then the distinctive feature of the Singaporean strategy is its *reiterative* use of issues.

4.2.3 The British-Singaporean Negotiations

Before examining the intercultural negotiations, the coverage of Sequence categories and issues in the *review* Transactions is considered in order to determine if it influences the rhetorical strategy, as observed in the intracultural interactions. Of the three negotiations in this category, only 2BS does not have the full coverage of topics omitting the topic of *product information*. It also has the most limited number of issues (7). 1BS has slightly more (12) followed by 3BS (16).

The first negotiation to be examined is 1BS and, as with the preceding interactions, the opening stages of the *bargaining* Transaction are analysed in order to identify the *rationales* employed. Extract 14 illustrates the *proposing-rationales* AM, the British seller, introduces in his proposal on pricing structure. The issues he bases his *rationales* on are customer preference (99, 119, 121), promotions (101), product turnover (105^c), quality (105^d), pricing (109^{e1}, 115), company practice (109^f), product status (111).

- [14] 98 RM: how much price differential would that be/ with as against the old brand/
any rough estimate/
99 AM: I would say we're looking at well it's going to range for each product/ on
the salmon/ you're aiming at a ^(a1)**specialist market**/
101 consequently you have to aim your ^(b)**promotion**/ at a certain area of the
population/
103 that is a little more difficult/ because you have to pick specific times/
specific areas/
105 obviously we would not want to push it in some of your supermarkets
where the ^(c)**average consumption** for salmon is very very small/ if we

- did that then you would find that you would have a lot of stock left over/
and the ⁽⁴⁾shelf life for salmon is not that long/ so on that basis we'd be
looking maybe on a price differential most probably a good fifty percent
higher/ on a new brand/
106 RM: fifty percent/
107 AM: [yeah/
108 RM: wow/] that's quite heavy/
109 AM: well that would the smoke salmon is on the retail side from your side a
fairly ⁽⁵¹⁾high priced product/ from the whole sale side it's not that high
priced/ the ⁽⁶⁾profit margins are fairly small/ for us/ because we import it
direct from Europe/ so our costs are fairly high/
110 RM: right/
111 AM: and because it's a small market/ we can't offer it at a very very high
margin/ it's something which is ⁽⁶⁾fairly new to the area/
and we're trying to push it/
113 so the normal ⁽⁶²⁾whole sale price/ is fairly low/
115 so fifty percent increase is not actually that much in dollar terms/
117 the cheese is on the ⁽⁶²⁾same wave-length as the salmon/ but not as bad/
119 the margins for us are a little more/ and we'd be most probably looking at
something like a a thirty thirty-five percent increase on the price/ for a
new brand/ for the tomato sauce that one obviously is easier to push/
121 it's a very ⁽⁶³⁾popular product/ especially chilli-based/
123 sauce/ and there we'd be looking at maybe er twenty-five percent/ twenty
twenty-five percent increase/ the additional percentages would cover our
promotional costs advertising campaigns/ research/ that area/

Of the *rationales* AM employs in his proposal, four of them were previously mentioned in the *review* Transaction. These instances are illustrated in the following extracts.

- [14^{e1}] 67 AM: the salmon sells extremely well/ it's a fairly **high priced product**/
because it comes direct from Scotland/
[14^{a1}] 67 AM: but it sells very well/ our research has shown that seventy percent of the
market are expats/
[14^b] 88 RM: so you'll be interested in new brand whereby we get into a venture with
you
89 AM: [oh yes/
90 RM: to **pro]mote the product**/
91 AM: yah/
92 RM: because I think that is a good idea/
[14^{a3}] 56 RM: what's the **best selling brands** for these three items/ right now/ on the
market/
57 AM: well/ we would say that the chilli-based tomato sauce is the number one
seller/
58 RM: yeah/
59 AM: rather than the normal-based/ mainly due to local consumption patterns/

When RM presents his counter-proposal, illustrated in extract 15, he does so employing *proposing-rationales* based on three issues: company practice (132^a), customer preference (132^b) and promotions (134).

- [15] 132 RM: just as a rough estimate okay your price list for the various rates *ér*/ well we're actually very interested in the *A* and *B* category/ since you say that salmon gives you the we'll discuss salmon first/ since you say it gives you the ^(a)**smallest profit margin** *ér*/ and then cheese comes next and tomato ^(b)**the best seller** right/
- 133 AM: m-hmm/ yup/
- 134 RM: we are interested in salmon/ but why not we put the combination the other way round/ since it's difficult to sell and you know only a small section of the population takes salmon/ we'll take the other way round/ salmon twenty-five percent/ shared cost between the two of us/ and ^(c)**advertising cost** and outlay in the supermarkets and all that/
- 136 and the cheese thirty-five percent again shared cost we don't change it/ and tomato sauce fifty percent shared/ is this idea appealing to you/

All three of the *proposing-rationales* employed by RM are in fact identical to three of the *proposing-rationales* found in AM's proposal illustrated in extract 14. In effect, RM's proposal is not based on any new *rationale* and is in fact based on the identical argument developed by AM.

Nevertheless, AM counter-proposes basing his *proposing-rationales* of the promotions issue in 147 and the pricing issue in 151 on the issues he developed in the *review* Transaction illustrated in extracts 14^b and 14^{e1} respectively. At the same time, he introduces two new *proposing-rationales* based on the issues of credit (163) and relationship (169). However, neither of these have been previously discussed.

- [16] 145 AM: it's possible/
147 but you aren't going to get very much on the ^(a)**promotional side**/
149 for the salmon/ or for the cheese/
150 RM: right/
151 AM: on the normal ^(b)**wholesale price** that we are charging customers/ I mean our normal price for the salmon/
153 would be around *F* dollars/
155 now a twenty-five percent increase you're looking most probably at around *G*/ which really wouldn't cover you very much on the promotional side/
157 now for full promotion we'd be looking at more like an *H* price/
159 on the: cheese/ we would normally charge around *E*/ so for an additional thirty-five percent you'd be looking at around maybe *F* dollars/
160 RM: right/
161 AM: tomato sauce is easier to push/ if you're going on a mass campaign/ fifty percent/ the normal price would be an *F*/
163 fifty percent you're looking at I suppose we could do it at an *H*/ if you wanted we could give you ^(c)**credit terms**/
165 which may help you/
166 RM: yes the normal terms/ [yes/
167 AM: what] do you normally getting from your other suppliers/
168 RM: normal thirty days per month/
169 AM: I mean we would ^(d)**like to do obviously a lot of business with you**/ the normal interest we would give on thirty days is about one and a half percent above base rate/

- 171 if you wanted/ to help you out/ on a new product/ on a new brand/ we
could extend that credit/ to maybe sixty days/ but it would really depend
on what sort of prices we came to an agreement on/

The second *bargaining* Transaction also includes another instance of RM employing a similar rhetorical strategy in which he takes up an issue that AM introduces. The introduction of this issue is found early in the second *bargaining* Transaction when AM justifies his pricing structure basing it on the development of the quality issue (17^a). RM then develops the issue into his own *proposing-rationales* to employ in his proposals, as can be seen in extracts 17^b-17^d.

- [17^a] 229 AM: basically it comes down to how much we are selling at one time/
231 and *A* is mass/ we're talking maybe ten thousand/
233 per month/
- [17^b] 242 RM: this means that if we want three thousand you can't manage at all/ or five/
- [17^c] 252 RM: what if we were to well I have to talk to management/ what if we were to
give you more time and we shift back our planning stages and advertising
and all that/ to attack the market/ give you more time and at the same
time to get more more products from you/ I mean sorry more quantity
from you/
254 so as to achieve the *A* range/ so it would be easier for you/ would that
help/
- [17^d] 326 RM: okay/ all right/ all right/ suppose we were to take *D*/
328 and you review your price structure in between *A* to *D* for us/ and we
guarantee after twelve months a minimum quantity of ten thousand cases
a month/ would that help/

This interaction appears to have elements of both British and Singaporean rhetorical strategies. Given the coverage of issues in the *review* Transaction, AM, the British seller, employs a strategy similar to the one observed in 1BB in which he bases his *rationales* on issues previously discussed in the *review* Transactions. However, although he is able to do this, the data also demonstrates in extract 16 an occasion when he introduces a central contract issue (payment) for the first time in the *bargaining* Transaction, a strategy more similar in character to those employed by the Singaporeans.

RM, on the other hand, employs a more *reiterative* strategy in which he takes up issues which he considers to be relevant to him in the *bargaining* Transaction and develops his proposal based on them. What is unusual is that RM introduces few issues of his own.

Instead, he takes up issues that AM has developed as *proposing-rationales* and employs them as his own *proposing-rationales*.

The second intercultural negotiation also demonstrates a similar combination of differing strategies. The first *bargaining* Transaction is introduced early on in the negotiation by DL, the Singaporean buyer. It opens with BH, the British seller, making his initial proposals based on four *rationales*: relationship (79^a), quantity (79^b), company practice (85), and contract length (89).

- [18] 78 DL: would you like to propose your price/ to me/
 79 BH: the chilli sauce/ seeing ^(a)it's our first transaction I'd be looking for ^(b)a thousand cases/ I'd be looking at probably price H/ to start us off with so that we could get the thing off the ground/
 80 DL: u-huh/ I was looking more at price B/
 81 BH: mm I thought you probably would be/
 82 DL: (laughs)
 83 BH: (laughs)
 84 DL: so in order to work out a package/ how about your pricing for teabags/
 85 BH: teabags/ ^(c)we're a little more flexible there/ but again if we're going to talk again of a thousand cases/ I would have guessed that if we said H for chilli sauce then we'd be prepared to go on price F for tea bags/
 88 DL: your package does it include sardines as well/
 89 BH: yah I think we'd like to: we may as well complete the package and include sardines in there/ and we could do a thousand cases I guess as ^(d)a relatively trial order we would consider it I think/ again at a price F/

Of these *proposing-rationales*, only two have been discussed in the *review* Transaction and they are illustrated in the extracts below.

- [18^b] 68 DL: and what is the quantity you'll be selling you:r chilli sauce to us/ can we start with say one thousand cases you know/
 69 BH: well I think that would be the absolute maximum that we would want to sell/ as I said you know we really are in a situation where shipping to this part of the this part of the world/
 71 it becomes very difficult/
 [18^d] 61 BH: but when you're buying when you're purchasing from your existing suppliers/ do you tend to go for a long term situation where you're buying say for three months six months/ a year's contract/ or do you buy just a spot business as and when you want it/
 62 DL: so far it has been on the spot sort of decision as far as the suppliers is concerned/

DL's response, illustrated in extract 19, has just one *rationale* based on the issue of pricing, which was not previously discussed in the *review* Transaction. It is interesting to note that BH's response is similarly lacking in the use of *rationales*.

- [19] 90 DL: I must say your price is comparative uh/ but actually not not very: can you improve on on the price/ I'm sure we can come to a deal/ very quickly if you can improve on your price just slightly/ uh/

- 91 BH: well/
 92 DL: my pricings is in the region of straight Bs/
 93 BH: good Lord/ well that would be quite impossible/ we could certainly move
 a little bit/ but from *H F F* to:: to straight Bs really is an impossible
 situation/

An analysis of the opening stages of the second *bargaining* Transaction focusing on a payment proposal also has a limited use of *rationales*. DL, the Singaporean buyer, bases his proposal on the issue of price (130). His subsequent proposal in 134 is not based on a *rationale*. BH counter-proposes in 137, basing his *rationales* on the issues of payment and company practice (137^b and 137^c respectively) which he develops *in situ*.

- [20] 129 BH: but you know do you normally pay up front/ or do you normally pay on
 credit terms [or
 130 DL: I can] consider paying up front if we're talking about ^(a)price B you see/
 131 BH: are we/ yah well I'd hoped we'd moved away from we've moved off our
 132 DL: yah but I don't want you to lose your job that's why I'm thinking very
 hard how I can you know/ [keep your job/(laughs)
 133 BH: well you could you could] you could keep my job by giving me price F
 and (laughs)
 134 DL: so credit terms you know/ actually about three: months huh/ should be
 OK lah huh/
 137 BH: well you know/ ^(b)interest rates in the UK are running on interbank rate
 at about twelve percent/ and although we're an excellent company in
 good credit ratings/ we're paying about fifteen percent/ so that's over one
 percent per month so you're talking of a reduction of three percent in the
 price that we give you/ and if we do that on price B for instance which
 we're still on/ that would mean that we're into a ^(c)loss situation/
 138 DL: [mm/
 139 BH: and er]
 140 DL: that cannot be/
 141 BH: board or no board that's impossible/ [(laughs)

In addition to the substantive issues illustrated in the above extract, DL also introduces an issue of interpersonal solidarity in 132. This is an issue having considerable influence and is one DL employs reiteratively (and BH to a more limited extent) in the course of the negotiation. Its use is discussed further in section 4.3.

In contrast to the previous negotiations, both negotiators in the final intercultural negotiation appear to use rhetorical strategies that are largely British in character. The *bargaining* Transaction in 3BS begins with a proposal by BB, the British seller, dealing with *add-on services*. This topic is extensively discussed in the *review* Transaction under the issue of branding, promotions, and storage between turns 175-181 and 195-249. Subsequently, the bargaining sequence begins in 250, illustrated below:

- [21] 250 AL: so how would the cost differ/ if it's under solely under your established name and if you were to incorporate our name/
 251 BB: fine/ if we take it from the point of view of a **no frills service**/
 253 and in a sense no storage/ no advertising/ our brand name only/
 255 no special packaging with your names/ then the price that we would contemplate/ first/ for the chilli sauce/ would be price *F*/
 257 for the tea/ we would be looking at price *G*/ and for the sardines we would be looking at price *G*/ now clearly we would have to entertain at least one letter increase/ in all the prices/ if we were to give you our **gilt-edged service**/

AL's counter-proposal, illustrated in extract 22, is based on four *proposing-rationales*. The first two are unsupported by previously discussed issues, while the latter two are developed on pricing (262) and status (266) issues discussed in the *review* Transaction.

- [22] 258 AL: m-hmm/ but it seems the prices that you quote/ it's a bit on the high side/ for in fact for all the three products/ what we have in mind actually even before speaking to you is the ^(a)**management policies** have a: set budgets to work on/ and we are thinking in terms of the following ^(b)**prices** that we anticipated/ and this is **based on** our supply from the **current batch of suppliers** that=
 260 provide us with this similar products/ chilli sauce/ we are contemplating in the region of the price of *B*/ which is markly (sic) different from your quoted price of *F*/
 262 for tea bags/ we thinking in terms of price of *C*/ for sardines/ which I mention earlier is a very ^(c)**low price product**/ and very price sensitive/
 266 and being a ^(d)**new product** you can only we are thinking of pricing it at *A*/ so
 268 I see a mark difference in the prices that
 270 you offer in comparison with our existing suppliers/ and perhaps you could adjust your prices/ and see how you can meet our requirements in terms of pricing/

The points at which the latter two issues are introduced in the *review* Transaction are illustrated below.

- [22^c] 150 AL: :
 but nevertheless the sardine is still a **low price item**/
 152 and it's also very competitive/
 153 BB: [ye:s/
 154 AL: in fact] in our stores/ there are a wide varieties of brand/ and in order to sell/ in order add in this new product we got to consider again the price/
 155 BB: m-hmm/
 [22^d] 156 AL: since **this is a new product**/ there're certain: amount of risk/
 158 in term of shelf space/ the sardines from my experience and feedback that we have/ consumers are pretty brand loyal/
 160 so in particular there's already in our stores one brand name is I do not know if you're familiar it's Ayam brand/
 162 which the local Chinese patronising/ and it seems that this brand is doing well/ and not the rest/ so: I am concerned whether if we were to buy this new brand/ whether it will really can sell/

As well as employing the "grounded" rhetorical strategy, there is also some indication that AL uses the pricing issue reiteratively in the *bargaining* Transaction. This is discussed later in section 4.3.

It is clear that the negotiators in the intercultural and intracultural interactions have distinctive ways in which they deal with the topics and issues in the course of the negotiation. They can be summarised as follows:

- The British negotiators in their intracultural negotiations prefer a strategy in which issues are introduced and discussed in relatively long *review* Transactions with a broad coverage of issues. Relevant issues are developed into clear bargaining arenas in the *review* Transaction. Thus when it comes to making proposals, the negotiators are able to employ *rationales* based on issues which have already been coherently argued.
- The Singaporean negotiators favour relatively shorter *review* Transactions with a concomitant limitation in the coverage of issues. Issues of common interest are often identified in the opening stages of the *bargaining* Transaction. These issues are reiteratively used as *rationales* and other issues are introduced and repeated where necessary. Unlike the British strategy which constructs a clear point of view before bargaining begins, the point of view in the Singaporean strategy emerges as part of the bargaining process.
- The degree to which the differing rhetorical strategies are evident in the intercultural negotiations varies in each interaction. Of the three intercultural negotiations, the negotiators in 1BS tend to favour their own strategies most clearly. This is true to a limited extent of 2BS though the British negotiator appears to reflect the reiterative strategy in his limited use of the solidarity issue. In 3BS, there is a clear adoption of the *grounded* strategy by the Singaporean negotiator although he too retains elements of the reiterative strategy.

There appears to be a close connection between the *grounded* and *reiterative* rhetorical strategies identified in this study with the "quasilogical" and "persuasive" strategies described by Johnstone (1989). Johnstone describes the quasilogical strategy as being "informal, nondemonstrative reasoning that takes its effectiveness from its similarity to formal, demonstrative logic ... the goal of quasilogical persuasion is to *convince*, to make it seem impossible for an audience using its power of rationality not to accept the arguer's conclusion" (ibid:145, emphasis in original). This form of persuasion is based on the notion that ideas are persuasive and that an orderly logical structure is important (ibid:150).

In contrast is the persuasive strategy which "could be said to be based on the assumption that being persuaded is being moved, being swept along by a rhythmic flow of words and sounds, ... The goal of presentational persuasion is to makes one's claim maximally present in the audience's consciousness, by repeating it, paraphrasing it, and calling aesthetic attention to it" (ibid:147-148). The basis for this form of persuasion is that "people, not ideas, are responsible for persuasion" (ibid:151).

Johnstone's quasilogical strategy appears to be favoured with the use of the *grounded* strategy, while the persuasive strategy appears to coincide with the *reiterative* strategies described in this section. However, the persuasive strategies, as they are realised in this study, are slightly different. Although it is clear that the goal of the persuasive strategy as used in the data is to make the speaker's claim evident through repetition, it would be difficult to establish that this is performed in an aesthetically appealing manner.

4.3 Interactional Procedures: Moves in Exchange Structure

In the previous section, 4.2, the analysis of data focused on how negotiators employ topics and issues in the *review* and *bargaining* Transactions. In this section, the analysis examines how negotiators work together to develop the issues in order to establish bargaining arenas, and from there, how they are able to move towards settlement point. In other words, it examines how the negotiators, who start off having their own individual and separate positionings vis-a-vis the issues, are able to move towards each other in

order to establish some common ground. This involves providing enough necessary information so that their positions are accessible to their counterparts. At the same time, they have to guard against giving away information that might cause their positions to be undermined by their opponents.

It is the interactional procedures which make it possible to understand how the separate and individual positionings with which each negotiator begins are developed into some common ground. Interactional procedures occur at the level of Exchange, the point at which turn-taking occurs. They involve different Moves, such as the Proffer, Satisfy, Contra and Counter described in the previous chapter in section 3.3.2. The remaining sections in the chapter examine how the interactional procedures develop the negotiators' different positionings and move the interaction towards outcome. Section 4.3.1 discusses how substantive issues are developed, and section 4.3.2 how the interpersonal dimension is developed.

4.3.1 PROCEDURES FOR ESTABLISHING SUBSTANTIVE ISSUES

As pointed out earlier, the *review* Transactions provide participants with the opportunity to establish platforms on which to base their proposals. Although the settlement points arrived at in the negotiations are the result of several interdependent issues being brought together, most of the outcomes are dominated by the development of one or two central issues. The procedures illustrated in this section examine how these issues are developed into bargaining platforms on which proposals are based and the degree to which they are able to elicit movement. The British-British negotiations, the most homogeneous category, will be examined first. Next to be considered are the Singaporean-Singaporean negotiations, which, although less homogeneous, have features that are unique to their category. Finally, the British-Singaporean negotiations, the least homogeneous category, are examined.

4.3.1.1 *The British-British Negotiations*

As pointed out in section 4.2, the British-British negotiations have the most extensive *review* Transactions. The most significant point that should be noted about these

negotiations is that many of the issues are developed and established as bargaining platforms during the *review* Transactions, before the *bargaining* Transactions begin. The dominant structure used in these procedures are *chained* Proffer-Satisfy Exchanges, although there are also a limited number of the more contentious *progressive* Proffer-<Counter/Contra>-Satisfy Exchanges as well.

The first British-British negotiation, 1BB, is the least complex of the negotiations and illustrates how LB, the British buyer in conjunction with AM, his British counterpart, establish the importance of credit to the former's position. LB first introduces the issue in the initial stages of the *contract review* Transaction illustrated below. Although AM tends to initiate most of the Exchanges, and in fact opens this particular Exchange with the issue of contract length in his Proffer in 66, LB takes the opportunity to introduce the issue of payment in his Satisfy in 67a. Then maintaining his turn, he initiates a Proffer of his own in 67b asking specifically about credit.

[1]	PR	66	AM:	so how long a contract are you looking for/
	SAT		LB:	(a) well as I say we usually like to tie things up for six months to one year/ very much depends on the price as to whether we go for six months or for one year/ and when we have to discuss payment terms that would come into the calculation/
				(b) I assume you give some credit/
	PR	68	AM:	(a) some/
	SAT			(b) a lot depends on past performance of the client/
	PR	71	LB:	right/
	(SAT)	72	AM:	but with a company like yourself/ with the reputation that you have/ I'm sure that we can come to some agreement/
	PR			
	SAT	77	LB:	(a) right
	PR			(b) well we'd be quite happy to provide financial information/ should we come to talk about credit terms/
	Ø			
	PR	78	AM:	have you had any problems on quality with goods you've been purchasing from our competition/

Although AM does not provide any specific information about the payment terms, responding instead to LB's Proffer in 77 with a non-Satisfy and by Proffering the issue of quality in the following turn, his attitude towards the issue of payment can be described as generally open and positive. This allows LB to re-introduce the issue in 101 at the beginning of a new Exchange:

- [2] PR 101 LB: well the sort of credit that would compete with our existing suppliers/ would be thirty to sixty days/
 SAT 102 AM: (a) that's pretty normal/
 PR (b) and what sort of how many cartons would you be looking for let's say on a six month contract/
-

AM responds with a Satisfy in 102a before changing the topic again by Proffering the issue of quantity. This is discussed over the next few turns (102-115) at which point AM raises the issue of payment again in 115 in a new Exchange:

- [3] PR 115 LB: (b) and do you require letters of credit o:r you're quite happy with cash payments/
 SAT 116 AM: quite happy with cash payments/
-

The issue is left and only re-introduced several Exchanges later at the end of the final review Transaction, just before the first *bargaining* Transaction. The Exchange is initiated by LB who informs AM that the mayonnaise and the juice products are likely to be placed in a special section to take advantage of the health food trend. AM Counters in 234 that this will allow LB to increase his profit margins. LB Counters that his turnover is also likely to be slower. AM acknowledges this position in his Satisfy in 236a, and also recognises the importance of the payment terms in his Proffer in 236b.

- [4] PR 229 LB: our chain is looking at health foods/ which seems to be a burgeoning industry/ and we would probably put the orange juice and the mayonnaise/ in our semi in inverted commas health food section/ so that's why we're looking for products that do not contain artificial preservatives/
 CTR 234 AM: putting it in that section means you're able to increase your margins slightly/ because of the health food conscious attitude/
 CTR 235 LB: we can increase our margins but then on the other hand obviously we takes us longer to dispose of the stocks/ so financing is probably a little bit more/
 SAT 236 AM: (a) right
 PR (b) so if we can help you on the credit/
 SAT 237 LB: yes exactly/
-

The interactional procedures described show how the buyer indicates to the seller the importance of a particular issue, and also how, by responding to and accepting the buyer's point of view, the seller conjointly establishes with the buyer a useful bargaining arena for them both.


In identifying and recognising the significance of the issue, the negotiators are able to employ the issues discussed in the *review* Transactions to creatively package offers and counter-offers that allow them to quickly and efficiently arrive at a settlement point satisfactory to both parties. The following extract illustrates how the shared bargaining arenas set up in the *review* Transactions are able to elicit movement in the *bargaining* Transaction. Turn 262 is the opening Move of the first price proposals in the *bargaining* Transaction and in it AM Proffers a price proposal that would mean zero profit for LB. LB Counters with a reaction to the proposal and initiates, in 263b, a Pre-responding exchange that begins with the issue of relationship, but which he eventually directs to the problem of financing, an aspect of company practice.

[5]	PR	262	AM:	we would look to charge what you would most probably be thinking as a fairly high price/ but I'm willing to reduce it as it's a first time deal/ I'd say more on a good will basis/ and I suppose we'd be looking on a joint pricing scale/ sixty-five thirty-five/at around 1 dollars per thousand/ per month/
	CTR	263	LB:	(a) well that sort of price is really pretty high compared to the people we've been doing business with
	PR			(b) we've been doing business for so long/ we have established a good relationship with them/ they understand our needs/ they understand the fact that the goods have to remain on the shelf for a long time/
		264		that wholesale prices against shelf prices really only tell a quarter of the story/
	Ø			
	PR	266	AM:	what's] the other/
	SAT	267	LB:	well the other three quarters of the story is overheads in terms of staff
		269		rental etc etc general overheads/ and the main thing of course is financing/
		271		financing is our biggest expenditure/ item/ after salaries/ apart from the principal cost of the actual commodity that we're buying/
	CTR	272	AM:	well coffee is a long-life product/ it's all vacuum packed/ so the shelf life is fairly long/ on that pricing structure I'd be willing to give you a ninety day credit limit on that price/ over one and a half percent above base interest rates/
	CON	273	LB:	well I was thinking more in terms of F dollars/ which really is you're really looking to get our chains into your portfolio/ out of loyalty to our existing erm suppliers/ if we are going to change/ it would really have to have to be as cheap/ with as good credit terms/ as our existing suppliers/

The extract exemplifies how the positioning established in the *review* Transaction with regard to the payment issue is able to elicit movement, albeit somewhat modest, on AM's part. Although movement is limited in this instance, the reminder of the positioning of the issue prompted by the Pre-responding exchange lays the foundation for subsequent proposals, all of which consistently integrate the price and payment issues.

A similar employment of the interactional procedures is found in 2BB. As with 1BB, the negotiators in this interaction also have long *review* Transactions in which they attempt to establish a common bargaining arena. Although credit is also an issue that is raised, the key issue that is consistently focused on, and which eventually plays a crucial role in the *bargaining* Transaction, is the relative positioning of the three products in terms of their pricing.

The buyer, KB, develops his position based on the assumption that the various products, including their pricing, has to suit his customer profile. He establishes his position early on in the negotiation when he takes advantage of the seller's Proffer in 8 to comment on how he sees the development of the supermarket chain.

[6]	PR SAT		8	BH:	how do you see the development of that/
			9	KB:	well/ at the moment we're attracting some expatriate trade/ but I think if you look at it/ the population in Singapore is two million/ and if we were to only pitch our store at the expatriates/ even if they drank a bottle of tomato sauce everyday/ it's not going to give us the sort of market that we want/
			11		so I think fundamentally what we're saying is that we want to pitch our business at a quality middle of the road store approach/
			13		and once the word spread amongst the expatriate community that we were there with good quality goods/ at the middle of the range store level I'm sure that we would probably attract some of that trade as well/ so I think that's fundamentally where we stand we're after the middle income/ Singaporean business/ which hopefully by selling quality products we'll also spill uphill as well as downhill a little bit/

In KB's Satisfy, he makes it very clear that his customer profile is focused mainly on the middle income local customer. This is a point he consistently develops in the *product review* Transactions for the each of the products under negotiation. The relevant Exchange for the first product, tomato sauce is illustrated below. The excerpt begins in

31 with KB indicating his preference for a particular quality of sauce after a *chained* Exchange about the qualities available (turns 15-30). Although there is a weak attempt by BH to undermine KB's position in 34, he promptly comes round to KB's point of view, as can be seen in his Satisfy in 38. He in fact re-enforces the buyer's point of view with his own Proffer in 40.

[7]	PR	31	KB:	from our point of view if we're really aiming for the local market/ with just hopefully a bit of spin off on the other side/
		33		we would presumably be wanting to go for the sweeter one rather than the tart one/ [(inaudible)/
	CTR	34	BH:	but don't you think] you'd get a better return on your price if you aim at that a bit higher on the expatriate market/
	CON←	35	KB:	as I say the way we've analysed it is that the expatriate community/ mostly they've got smaller families/ out here in Singapore/
		37		than the local families/ and in half the cases the children are away at school overseas/ and therefore we see that even though/ you might be able to attract a slightly higher price by selling to expatriates/ there are only so many bottles
	SAT ←	38	BH:	[mm I guess so/ yes/
		39	KB:	of tomato sauce that they] want to buy in any one year/
	PR	40	BH:	and having been with the locals/ they seem to like tomato sauce with everything anyway/=
		41	KB:	=that's right/
	SAT	42	BH:	or chilli sauce with everything/
		43	KB:	(a) that's right/
				(b) so I think it may alter when we get to talk about some of the other products/
	PR	44		but as far as the tomato sauce is concerned I think we would be aiming very much at that sort of area/

When it comes to the *product review* Transaction for coffee, KB raises the same issue of customer profile in 149 as a Counter to BH's Proffer in 148 to supply different grades of coffee. BH acknowledges KB's position with a non-Satisfy in 160 and Proffers his own seller position (turn 164) with regard to the pricing limitations of an international brand coffee in which KB has indicated an interest. KB acknowledges BH's position on this in 165, but at the same time clarifies his own position in 169.

[8]	CTR	149	KB:	I think we're not actually looking to have too many different lines/ fundamentally the way we've analysed the local market which is where we're really targeting most of our business/ tends to be a tea rather than a coffee drinking market/
		151		
	CON←	152	BH:	although that's changing I believe/

CON ←	153	KB:	it is changing to an extent/ but I think the volumes/ and
	155		after all we are talking volumes here/
	157		the volumes basically tend to be with tea and so we'd
			be looking to position this one slightly higher/
			so that we could then start attracting some of the
			expatriate market/ so we don't see this as being a huge
			volume/ and therefore we would be looking at quality
			not necessarily own brand/ probably a famous brand
	159		I mean an international brand/
(SAT) ←	160	BH:	yah/ yah
PR	161	KB:	so that would be something which would be
			internationally recognisable would probably be up in
			the quality/
(SAT)	163		or middle quality sort of areas/
PR	164	BH:	(a) yeah
			(b) that probably restricts our ability to flex the price
			too much/ because obviously there are set patterns for
			pricing of the national and the international products/
(SAT)	165	KB:	yah/
PR			well/ we can we can look at that I mean certainly from
			our point of view we would probably be able to secure
			slightly better pricing on that than we would be able to
			with tomato sauce/
(SAT) ←	166	BH:	yah=/
	169	KB:	=but at the same time obviously we'd still be looking to
			maintain our margins wherever possible/ .

Extract 9 illustrates the negotiators' discussion about the positioning of the juice product which occurs in the final *product review* Transaction, just before the *bargaining* Transaction. The extract begins immediately after the completion of the previous Exchange discussing quality. KB's Proffer in 219 introduces the issue of positioning once again. However, BH responds with a zero Satisfy, preferring not to take up the issue. Instead, in 220, BH Proffers his own attempt to maintain the issue of quality. He does this by highlighting the attributes of his product that appeal to the health conscious customer. Although this has an indirect relationship to the customer profile issue (in that health foods attract a particular type of customer), KB responds to BH's Proffer with a zero Satisfy. Instead, KB's Proffer in 225 ignores BH's quality issue and continues with an elaboration of his own position in terms of income distribution.

Subsequently in 228, BH attempts to align his own position a little more closely with KB. At the same time, however, he still does not acknowledge KB's Proffer on positioning presented in 225, as seen in his zero Satisfy. BH's attempted movement in 228 is realised by the introduction of the promotions issue, which he partially links to KB's issue of positioning (ie. the need to attract the right customers). He follows this up with a

Proffer in 232 offering advertising support. KB is again non-committal, responding with non-Satisfies in 229 and 231 and eventually with a zero Satisfy just before 235.

Instead, KB returns to his issue on the positioning of the product, this time in terms of product quality, with his Proffer in 235. BH appears to find this position a little more acceptable and responds with a Satisfy in 240 reiterating the point he makes in 220, also pointing out that a quality product gets a better return. KB's response is to Proffer a new position that it is a "me-too" brand⁴ he is looking for. This indirectly halts any further development of BH's positioning and he responds in 246 with an ambivalent non-Satisfy realised by the back-channel device "yah".

[9]	PR	}	219	KB:	OK well again I think the positioning of this one is fairly important/
	Ø				
	PR		220	BH:	I think the other: spin off as far as our juices are concerned everyone is concerned these days with health conscious it's impossible to not to have some additives/
			222		otherwise the stuff just doesn't last at all/ but we keep ours to an absolute minimum/ and we try and keep colouring away from it
			224		as well/ so from that point of view we will try and sell it as a health drink
	Ø	}			
	PR		225	KB:	if you look at the positioning of these three products I think in fact if you go back tomato sauce we're basically saying it's a local market/ product/
			227		not really attracting expatriates/ in the coffee one we're looking at middlish incomes but with a spin off up upwards probably into expatriate drinking habits/ the juice one I think though becomes one which is going to be used by all sectors of the community so I think that this one is a total [(inaudible)]
	Ø				
	PR		228	BH:	on the juices I think the presentation is all important and exactly where you aim your market at/ whether you aiming at children/ or whether you're aiming at the the adult population/ I think packaging then becomes an all important effect for promoting this/
	(SAT)	}	229	KB:	[yeah/ mm/
	PR		230	BH:	and if you wish] to really aim at the children who I guess drink an awful lot of this stuff/ every school kid has two in their packs to go to school or something like that/
	(SAT)	↓	231	KB:	right/

⁴ This marketing term refers to a short-term "hop on the bandwagon" mentality that implies that rationales and policies do not play a major part in the decision-making. The priority is on cashing in on a profitable situation and taking advantage of it as long as it lasts.

PR	232	BH:	and you know we could perhaps do something along that line/ again advertising I think probably is all important and probably again television advertising/
Ø			
PR	235	KB:	I think the thing is what we would be looking for if you go to the top end of the juice market/ where you're talking basically pure fruit juice/
	237		it's very nice but it costs a fortune/
	239		and therefore mothers aren't going to buy that for their kids/ equally if you go down to the bottom end of the market/ it tastes like rubbish/ and so I think we'd probably be looking at a reasonable sort of fifty fifty ratio on the pulp versus juice which we we find is acceptable/
SAT	240	BH:	yah/ I think there is some spin off on in terms of health consciousness and all that/ I think
	242		you can probably promote that and also get a better
	244		return] for it/
PR	245	KB:	but I would describe our approach to this one basically a me-too brand/ really/
(SAT)	246	BH:	yah/

Unlike the previous Exchanges in this negotiation, the negotiators have not been able to set up a clear bargaining arena that is agreeable to them both. In the other discussions on positioning, the bargaining arenas have been established largely because the seller agrees to the position put forward by KB, who as buyer also tends to have the upper hand. However, in the above extract, BH appears to be less amenable to KB's positioning, which is for the orange juice to be pitched at "all sectors of the community" (turn 225). If this position is accepted by BH, it will mean having to price the juice at a suitably low range, something he appears to want to avoid since the orange juice is the most profitable of the three products for him. Instead, BH appears to actively promote the juice as a health food which promises "better returns" (turn 235).

Both parties have different intentions with regard to the positioning of the juice product, yet the lack of agreement is not actually verbalized. At the same time, both parties appear to understand their counterparts' positions. Although there is no joint positioning on the issue, the Exchange presents both negotiators' positions. That the negotiators are able to present their own differing positions illustrates the strategic effectiveness of the zero and non-Satisfies used in this extract.

An examination of the final integrated *bargaining* sequence shows the influence of the positioning of the customer profile issue on the progress of the negotiation towards a

settlement point. The issue is re-introduced in the initial segment of the Transaction in a Pre-exchange before the first proposals are made. In a *chained* sequence, both negotiators review basic positions with BH the seller initiating issues regarding contract length (274-277) and quantity (280-284), while KB re-states his viewpoint on the positioning of the three products (287).

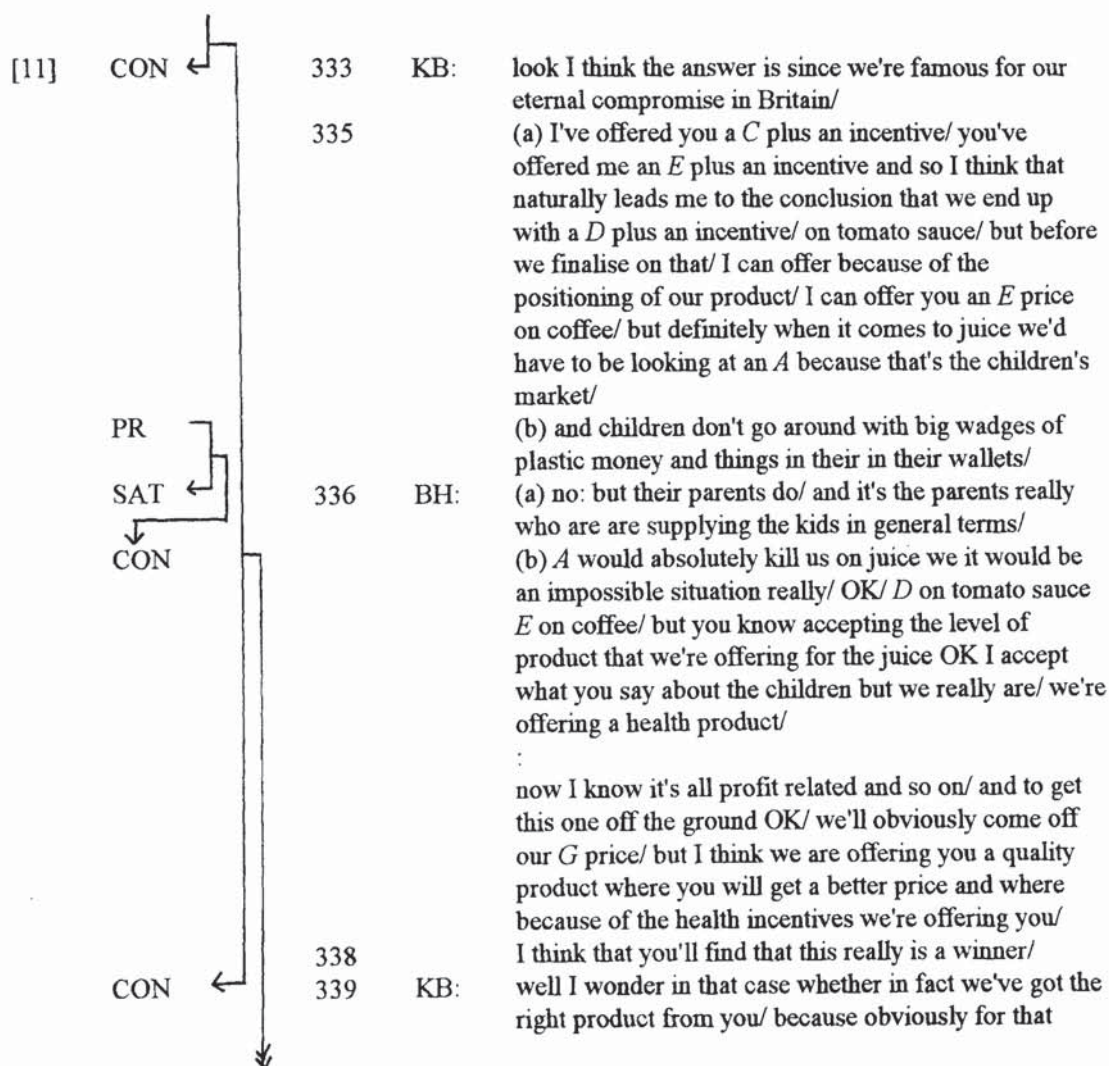
The issue is soon employed by KB as a *rationale* to undermine BH's counter-proposal in 296. This can be seen in 303 illustrated in extract 10. KB has further opportunity in 305a to remind BH of the positioning of the three products. At the same time KB develops the issue by relating it to the issue of quantity in 305b, which also prepares the ground for his Contra in 309.

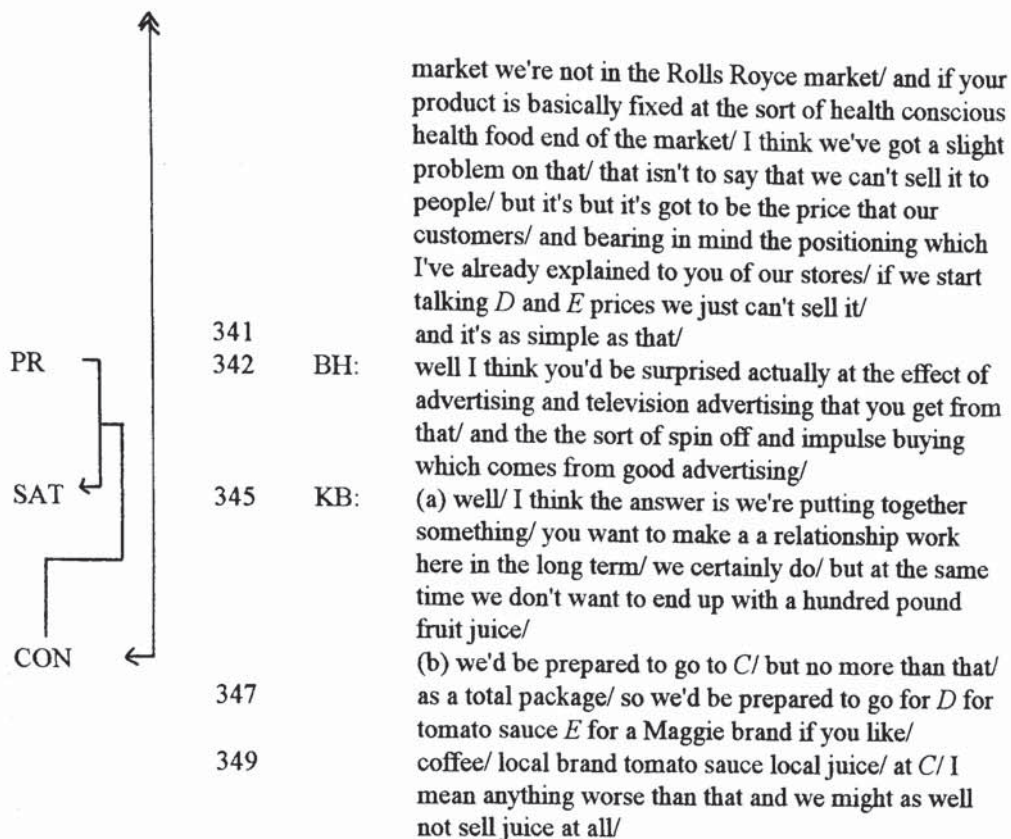
[10]	CON	296	BH:	: and certainly we would be looking for a much longer contract and much heavier involvement in terms of volume before we get anywhere near A and B/
	PR	297	KB:	yah/ I mean I think the answer is it's chicken and egg isn't it/
	SAT	298	BH:	well that's [right/
	PR	300		and business has got to be good for both of us otherwise that we don't
	SAT	302		no we don't do it/
	CON	303	KB:	(a) of course/
	PR	304	BH:	(b) equally if we went in at G we would be very much going head on against the Cold Storages of this world/ how about] the advertising/ it should help/ tremendously/
	SAT	305	KB:	(a) yes except that you have to remember where we're positioning the whole of the rest of our business/ and the rest of our business we're pitching middle of the road rather than for these plutocrats who end up in Jelita Cold Storage/ and so on/ I would say that to counter this what we would be prepared to offer/
	PR	307		(b) and I think it's important we want to get this business going/ and if we go in at G we may end up with selling one bottle of tomato sauce for five hundred pounds/ which would be wonderful/ we'd all make a profit but it wouldn't give us the sort of volumes because it's all volume related/ and you know that if we buy more you can give us a better price/ equally your suppliers at the other end will give you a better price if
	SAT	308	BH:	oh that's right/
	CON	309	KB:	so we would be prepared to move/ and go on trust on a twelve month contract basis/ to start with/ we would still be looking for the sixty forty advertising content/ and we would certainly be looking for the sixty days

credit/ and certainly after say a three month experience
we would be looking to go on open account on that
basis/ we'd be prepared to open an LC for the first say
for the first couple of months/

The positions re-stated and established in the Mid-move Exchange between 304 and 308 not only potentially provide a means of eliciting movement from KB, but in this case also allows the seller to resist movement necessitated by BH's Contra in 296 and his Proffer in 298b.

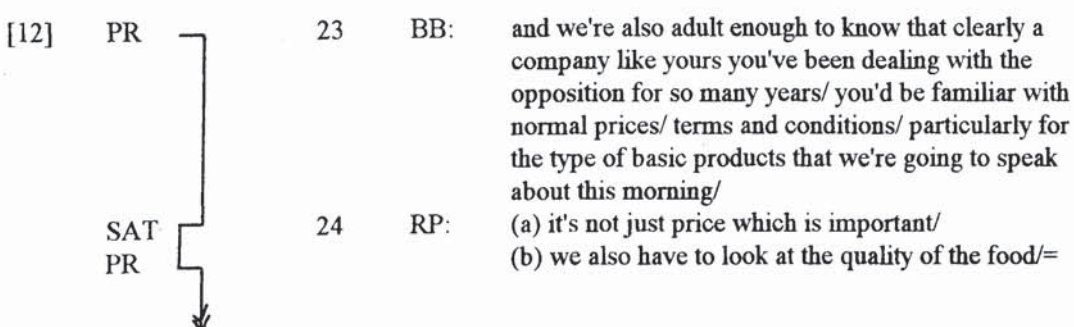
The issue is used several more times in the closing segment of the *bargaining* Transaction. KB consistently utilizes the issue as a *rationale* in his proposals as seen in 335a and 339 as well as in his Satisfy in 345a. The *rationales* he presents in the Contras are extended re-statements of the position he jointly established with BH. BH in turn attempts to maintain his proposals with the issues he has developed, namely quality and promotions, in his Contra in 336/338 as well as his Proffer in 342.





Although the final settlement point is arrived at fairly efficiently, (agreement is achieved several turns later) the lack of accord on the positioning of the juice observed in the *review* Transaction is reflected in this last extract where it proves to be a sticking point. Eventually however, KB's consistent and focused development of the issue as well as the upper hand he has as the buyer, allow him to elicit further movement on the seller's part.

The negotiators in 3BB, like their compatriots in the other British-British negotiations, also focus on identifying a common understanding of each other's positions in the *review* Transactions. In the case of 3BB, the issue that dominates the negotiation is that of developing a comprehensive package deal. The issue is introduced early on by RP, the buyer, in response to BB's Proffer recognising the buyer's familiarity with existing market terms. RP's Satisfy in 24a highlights the fact that price is not the only consideration and goes on to Proffer in 26/28 the other factors which need to be appraised.



SAT PR	↓	26		the style of the packaging/ and the other terms you can offer such as speed of your delivery/
		28		and the the credit terms you require/ so it's the whole package/ which we're interested in/
		29	BB:	(a) fine/
				(b) well let me just tell you a little bit about that overall package/

RP's position is clearly acceptable to the seller, BB, in his Satisfy in 29a and his Proffer in 29b. Furthermore, he proceeds to develop his package deal extensively in the *contract review* Exchanges in which he Proffers services such as delivery (turn 29), storage (turn 31), and promotions (turn 31, 39). He also reiterates his position in the following turn 109:

so it's a package really/ we're not saying here's the coffee/ here's the jar/ let's have your cheque please/ we're saying/ there's the price/ those are the services we offer with that price/

Unlike the other negotiations, the positioning on this issue is only partially realised through the interactional development of the issue. While the other negotiators develop issues by *talking* about them, the seller in 3BB develops the package deal issue by *doing* it⁵. Thus BB consistently develops the package deal issue through a thorough presentation of each of his products in their respective *review* Transactions. With coffee, BB Proffers information about the packaging (turns 49-57, 81), the specially-blended brew for local tastes (turns 61-63), the option to adjust the blend (turn 79). In addition, he also Proffers his opinion that coffee is a price insensitive product (turn 79). Furthermore, in response to RP's Proffer that the supermarket's customer base is split between high and low income areas, BB promotes his products as having been successfully test-marketed on a wide spectrum (turns 64-79).

RP's responses to BB's Proffers tend to be non-Satisfies realised by back-channel devices such as "mm" (turns 62, 88), "hmm" (turn 80), although he does respond with a full Satisfy, "that's impressive/ that's very smart", in 58 in response to the seller's packaging Proffer. However, at the end of the Exchange, he Proffers the following summary statement in 88 and 92, which is followed with a Proffer on price in 100 thus initiating a *bargaining* Transaction:

⁵ Edmondson uses the terms *discourse-internal* and *discourse-external* to distinguish these acts. "Thus if I 'thank' you for 'offering' to put the cat out, my 'thanks' is a discourse-internal illocution; if I 'thank' you for actually putting the cat out, my illocution is a discourse-external illocution." (1981:139)

- [13] SAT PR 88 RP: (a) mm/ that that all sounds quite reasonable/
(b) our experience of surveys carried out by the food manufacturers is that they usually look quite good for their own products/ and we found partly due to the mixed supermarkets we have and the mixed customer base that the surveys don't always actually prove to be as good in practice as they are on the survey/ so we tend to judge how good a product is from the actual sales/
SAT PR 91 BB: [quite right/
92 RP: so that's why we tend to go for smaller amounts to begin with/ then if we find that it's a good seller/ we'd be looking for much larger orders/ on a regular basis/
(SAT) PR 99 BB: m-hmm/
100 RP: can you give me the prices for firstly the coffee packaged to our own label/

During the *bargaining* Transaction that follows, the package deal issue is raised in RP's Contra beginning in 122 in response to BB's proposals (presented in 103-121). Over several turns, RP highlights the fact that BB's package is not as attractive as those provided by his current suppliers.

- [14] CON 122 RP: compared to our existing suppliers/ those prices are rather on the high side/
124 and we can certainly get much better value else where/
126 and from our point of view/ given the profit we'll be making/ there's little incentive to take on new lines/
128 and to try and push those at those levels/ I mean it's something where we can go to our existing suppliers/
130 and they can offer better terms than these/
132 and we already know that they're capable of meeting our requirements/
134 by going to someone other than our normal supplier/ we were hoping that perhaps we could maybe get a better price/ or a better service/
136 at the moment what you've offered is not as good as we can already get/
PR 137 BB: really/
SAT 138 RP: mm/ indeed/
PR 139 BB: oh they must've lifted their game then/ in the very recent past/ because many of the added benefits/ which we now include/ such as own labelling/ such as the chilled cabinets/ the advertising/ the in-store marketing/ are all matters which we've introduced/ over the last twelve months/ and indeed until recently I wasn't aware that the main competitor agents were actually offering the same sort of services/
(SAT) PR 140 RP: you're saying that they're all now offering these=
(a) =mm/
(b) as you've already mentioned you've seen our adverts in the papers

A large section (141-160) of the *bargaining* Transaction that follows is a subordinate Proffer-Satisfy Exchange in which BB, the seller, attempts to re-establish his services by questioning RP, the seller, on the current quality of his coffee product (145) and by highlighting his offer to provide a custom-blended coffee (157) while RP resists his attempts to do so. In a bid to return the Transaction to the main *bargaining* Exchange, BB initiates what emerges to be a Post-exchange of the *bargaining* Transaction.

[15]	PR	179	BB:	what price do you believe would be an acceptable price/ for you to pay/ in relation particularly now to the coffee/ to leave you feeling comfortable/
	SAT			
		180	RP:	well we've got some flexibility in that we're looking at this as an overall package/
		182		and we're looking now to make a profit on the overall/
		184		package of so much/
		186		and what which price we agree on a particular product/ would partly depend on the prices we can agree on the other ones/
		188		so rather than talk about a price for one specific product/
		190		I'd rather consider the whole package/

RP's Satisfy brings to light another aspect of the package deal issue. In RP's Satisfy, the notion of a package deal is extended to include the understanding that the terms of three products are negotiated together as an interdependent whole. This position turns out to be of strategic significance in the final *bargaining* sequence.

When the negotiators proceed to the *product review* Transaction on tomato sauce, BB resumes the development of the package deal issue with detailed presentations on his product. For example, this can be seen in his extensive Proffers on the quality of the sauce (turn 199) and its packaging (turn 205). At the same time, he Proffers that the sauce is price sensitive (turn 215). RP, the buyer, again responds to these Proffers with non-Satisfies such as "mm" (turns 200, 206, 216), and "mm/ I see" (turn 218).

Similar interactional procedures characterise the final *product review* dealing with orange juice. BB again Proffers comprehensive turns about the juice's production (317/319), quality (321), and additional promotional services (329/331). RP again responds with non-Satisfies: "mm" (turn 318, 320), "right" (turn 328) and "m-hmm" (turn 332). However, after BB Proffers his third Move on promotions services in 333, as seen below,

RP produces a full Satisfy in 334 and Proffers a clear statement of his position (turn 338) vis-a-vis the services offered.

- | | | | | | |
|------|-------|---|-----|-----|--|
| [16] | PR | } | 333 | BB: | and that/ as I said/ would be made available to you free of charge/ |
| | SAT | | 334 | RP: | (a) well within our stores we do have quite some experience in promoting new products/ |
| | PR | | | | (b) we normally handle it ourselves/ |
| | (SAT) | | 336 | | and we think that we're pretty good at it/ |
| | PR | | 337 | BB: | m-hmm/ |
| | (SAT) | | 338 | | so from our point of view/ whereas extras like that are obviously attractive/ they're not a necessity/ |
| | | | 339 | BB: | m-hmm/ |

RP then continues with a summary statement beginning in 340 setting out in clear terms exactly what his position is. RP begins by acknowledging the product details supplied by BB and also clarifies the market positioning of the products. RP then presents his own position of the package deal issue in 348b and 352/4 with reference to the terms and services he expects from his suppliers.

- | | | | | | |
|------|-------|---|-----|-----|---|
| [17] | PR | } | 340 | RP: | you've probably told me enough about the products/ and I think what we're looking for is to have our own label/ goods/ |
| | | | 342 | | and they're all goods where we want to go for a niche/ part of the market/ |
| | SAT | | 345 | BB: | fine/ |
| | PR | | 346 | RP: | possibly with a view to replacing some of the goods we're already selling/ so that if they do prove successful/ then we'll market those and stop selling/ some of our existing/ |
| | | | 348 | | (a) goods/ |
| | PR | | | | (b) as regards yourselves/ and the competitors that you have/ we're always looking for new suppliers/ |
| | | | 350 | | and we expect to get the best terms from our suppliers and a good service/ |
| | SAT | | 351 | BB: | of course/ |
| | PR | | 352 | RP: | we're continually reviewing the market place to see where we can get the best deals/ your company has a reputation for being flexible/ |
| | | | 354 | | and for providing a good service/ at a reasonable price/ which is why we've approached you/ |
| | (SAT) | | 355 | BB: | m-hmm/ |
| | PR | | 356 | RP: | at the same time/ your rivals know we're looking around/ and the prices we get at the moment/ are better than the ones you've indicated to me/ certainly for the coffee/ and I know that if they hear that we're looking elsewhere they will reduce their prices/ |
| | | | | | downwards to try and keep us/ because we do have quite a big turnover/ |
| | | | 358 | | and we do place large orders with them/ |
| | (SAT) | | 359 | BB: | m-hmm/ |

Although RP refers to the importance of good service (which clearly does not include the need for promotional services as he indicates in extract 16) it is also clear that his position is also firmly centred on getting a good deal in terms of price. In cooperating with RP to develop the package deal issue, BB's development of his own positionings from which to elicit movement from RP is limited. They tend to be focused on customer profile issues (77/79, 219/221, 297/299) and pricing issues, particularly BB's shelf prices (367/369, 397, 437) but these attempts tend to be negated and/or neglected by BB's use of non-Satisfies and summary statements as exemplified in the above extracts.

In this final section of the 3BB negotiation, the modified version of the package deal issue can be observed to have a significant influence on eliciting movement in the last *bargaining* Transaction. Both extracts 18 and 19 begin with Moves in which BB indicates that he is unlikely to move further from his proposals (437 and 481). In both instances RP reminds BB that they are doing a package deal on the pricing as well and highlights the fact that by accommodating each other on products that are differently advantageous, they could both benefit (440/442/444 and 486b). In both cases, this reminder is able to elicit a further movement on the part of BB as can be seen in his Contrasts (447b and 493).

- [18]
- | | | | |
|-----|-----|-----|--|
| CON | 437 | BB: | : |
| | | | I really would have difficulty going below <i>F</i> / |
| PR | 438 | RP: | going below <i>F</i> / |
| SAT | 439 | BB: | m-hmm/ |
| PR | 440 | RP: | as I've said before/ we're more concerned with the overall package/ |
| | 442 | | and if you're fairly inflexible on one product we may be able to accommodate on the other products |
| | 444 | | if you have more flexibility in those areas/ |
| SAT | 445 | BB: | if you indeed were Richard seeking a package price/ |
| CON | 447 | | (a) let me explain to you the very best I could do/ |
| | | | (b) tomato sauce/ I could provide you with a thousand cases/ for price <i>C</i> / |
| | 449 | | for coffee/ the minimum price would be <i>B</i> / and for juice/ as a minimum/ and this really would be: rock bottom from my point of view/ I couldn't drop below price <i>D</i> / |

- [19]
- | | | | |
|-------|-----|-----|---|
| PR | | | (b) now as we're talking about a package/ we can be flexible about this but we'd be looking for improvements elsewhere/ |
| | 488 | | either on the coffee/ or on the tomato sauce/ or both of them/ |
| (SAT) | 489 | BB: | mm |

PR	490	RP:	I think we can go ahead on the basis of price D for the juice/ but we've got to improve else where/
Ø			
PR	491	BB:	what would your desired price be for coffee/
SAT	492	RP:	our desired price would be: price C for coffee/ and price B for tomato sauce/ to make up for the juice/
CON	493	BB:	well reflecting that there's no profit in it for us/ I'd go to D/ for coffee/ and] I'd go to B/ for tomato sauce/ but then looking at price D] for the juice/ that would have to be our absolute rock bottom/ and I have to say that in fact the tomato sauce delivery/ will probably cost us money/

Although there are varying degrees of agreement on the jointly developed bargaining arenas, and the development of a bargaining arena in 3BB is slightly different from those in 1BB and 2BB, all the British-British negotiations reach settlement point using the same interactional procedures. In other words, particular issues are identified as being significant and are jointly developed in the *review* Transactions into an area of common understanding. These are mostly realised in *chained* Exchanges. The issues are then employed in the *bargaining* Transactions, largely in *progressive* Exchanges, as *rationales* in support of proposals. The issues are also "isolated" in subordinate Exchanges, mostly in *chained* structures, to elicit further movement from the opponent. In all cases, the issues identified play a significant role in the final settlement points agreed on.

4.3.1.2 The Singaporean-Singaporean Negotiations

As the interactional procedures for the British-British negotiations are reflected in their Transaction structure, so it is in the case of the Singaporean-Singaporean negotiations. As described in section 4.2, the Singaporean-Singaporean negotiations tend not to have the full complement of *review* Transactions, and these are also inclined to have a limited development. This rudimentary Transaction structure is counterbalanced by a longer, complex Exchange structure. A closer examination of the Singaporean-Singaporean negotiations reveals that different interactional procedures are employed in reaching settlement point.

The first of the Singaporean-Singaporean negotiations to be analysed is 2SS as it is most like its British-British counterparts in terms of its Transaction structure as described in section 4.2. However, an examination of the procedures reveals greater similarities with

the other Singaporean-Singaporean negotiations than with the British-British interactions. Like the latter though, the negotiators in 2SS attempt to identify issues that are significant in order to set up a bargaining arena. A point that the negotiators initially discuss is the issue of customer profile, a criterion necessary for determining the contract size and pricing. It is first introduced, in the *product review* Transaction on tomato sauce, by PS, the seller, in 53.

[20]	PR	53	PS:	so now basically I would like to know/ what is your sales turnover:/ per month/ and also are you aiming at the upper market income group or the lower income group/ I mean which one is more saleable/
	SAT	54	DL:	you can see that we have a different size of stores yáh/ some is
		56		to cater to middle to higher income/
		58		and some is to the middle to lower income/ so I can take in both actually/
	PR	61	PS:	so now middle to lower income/
		63		and middle to upper income/ okay/ upper income/ now what is the sort of quantities that you would require for the tomato sauce/ for the upper middle upper income/ how cases do you need/ before I come to recommend you what brand you should go for/
	SAT	64	DL:	okay I'm looking
		66		in the region of a thousand cases each áh/ each category áh/
	PR	69	PS:	okay/ what is your budget/ for the middle to upper income/
	PR	70	DL:	budget means the price/
	SAT	71	PS:	that you're prepared to buy for the middle to upper/
	Ø			
	PR	72	DL:	can you propose/ to me/ your pricing/

Apart from this brief discussion on the positioning of the tomato sauce however, little else is established and the rest of the Exchange focuses on the pricing structure presented in relation to the customers' income profile. At the same time, the issue of quantity is included, and eventually comes to dominate the discussion on the pricing structure. Thus when the negotiators come to discuss the coffee product, DL is able to anticipate PS's Proffer in 215 even though it comes in the opening stages of the Exchange. (The extract is preceded by a short procedural Pre-Exchange between turns 200 and 205 in which the negotiators agree to move the discussion on to the coffee product.)

[21]	PR	207	PS:	coffee
		209		I have also nine brands ah/
		213		so you got nine different prices/ okay/
	(SAT)	214	DL:	m-hmm/

PR	215	PS:	now/ okay I have nine different brands/ okáy
SAT	216	DL:	okay I would also like to know what is your
PR	217	PS:	it's the same/
SAT	218	DL:	it's the same [thing ah/
PR	219	PS:	yah/]
			also one thousand ah/
			(laughs)
			all one thousand=
SAT	220	DL:	=thousand plus my turnover/ I am looking at the two
			categories whether I should go for one thousand in the
			middle to lower or middle to upper/

In the *chained* Exchange that follows PS Proffers the pricing structure for the coffee product which again is related to the income groupings established earlier as well as the quantity. At the same time, PS also attempts to re-initiate a discussion on the topic of customer profile in 257, as illustrated in extract 22, when DL Proffers that he only needs one thousand cases of coffee (turn 250). However, DL Rejects the Proffer in 258 and sets out his position in the following turns (262-266), at the end of which he initiates a new *chained* Exchange in 274.

[22]	PR	257	PS:	now what are the people you are serving/ are they the
				expat the the upper income group or the lower income
				group/ because I have to look at the saleability of the
				products so I can recommend to you which one you
				should go for/
	REJ	258	DL:	that one I'll take care of myself you know the
				saleability/
	SAT	261	PS:	okay/
	PR	262	DL:	I'm interested here is the pricing/ you give me I price/
		264		I may not buy anything from you/
	SAT	265	PS:	I see I see [okay/ m-hmm
		266	DL:	you give me] a good price/ I'll buy from you/ another
				person
		268		give me] H price/ I will buy from them/ it's a matter of
				pricing here/
	PR	269	PS:	so okay/ for the coffee:s
		271		you actually do not need anything more than one
				thousand/
	SAT	272	DL:	you can say that/

When the section on juice in the *product review* Transaction is examined, the positioning for this product is as limited as it is for the other products. This can be seen in the extract below:

[23]	PR	279	PS:	okay/ for the juice/ what sort of quantity you are
	SAT	280	DL:	same/
	PR	281	PS:	also one thousand/
	SAT	282	DL:	[ah/
	PR	283	PS:	(laughs)] one thousand
	SAT	284	DL:	one thousand yah/

PR	287	PS:	so: you won't ask for you won't order more/
SAT	288	DL:	depends on your price yah/
PR	291	PS:	okay/ now if let's say I give you a very good price/
			what's your maximum order you would [e::r
SAT	294	DL:	three thousand/]
PR	297	PS:	so one thousand I would say minimum/
SAT	298	DL:	m-hmm
PR	299	PS:	three thousand maximum/
SAT	300	DL:	yah/

This Exchange, like the previous Exchanges, is then developed by a Proffer-Satisfy Exchange which focus on the pricing structure related to quantity (turns 301-314).

Given the limited development of the quantity issue, its use as a *rationale* in the *bargaining* Transaction is limited. Extract 24 illustrates the means by which the negotiators are first able to establish some agreement on the sauce product. The issue is raised by PS in response to DL's Proffer in 534b. In his Satisfy, PS provides a brief elaboration of the issue in 535-539 in order to justify his proposal in 529/531. DL on his part does not provide any *rationale* for his Contra in 534, which he repeats in 540. The Exchange continues with a clarification on the proposal and eventually the negotiators arrive at a provisional agreement in 550.

[24]	CON	526	DL:	let's] talk about H/
	PR	527	PS:	H ah/
	SAT	528	DL:	mm/
	CON	529	PS:	okay for H ah/
		531		why not you order another a thousand case/ for H/
	PR	532	DL:	[three thousand/
	SAT	533	PS:	three thousand/]
	CON	534	DL:	(a) why must be three/ I don't need three/
	PR			(b) why you want me to buy three/
	SAT	535	PS:	yah you see that H is an imported product/
		537		now] if I were just to import ah/ two thousand case in
				ah/
		539		I can't recover the the cost/ if you buy more/ then you
				see I can give you a more competitive price/
	PR	540	DL:	I don't need e::r
	PR	541	PS:	you don't need the extra [one/
	SAT	542	DL:	three] thousand yah
	Ø			
	PR			so anyway the pricing/ quantity aside/ H is okay ah/ for
				you/
	SAT	543	PS:	no/ the minimum order for H is three thousand I told
				you/ [yáh/

PR	544	DL:	we talk] about that later lah/ but
	546		the pri]cing/ of <i>H</i> is okay/
SAT	547	PS:	the pricing of <i>H</i> / if it's okay to you yes/ it's okay/
PR	548	DL:	it's [okay/
SAT	549	PS:	but] the minimum order must be three thousand/
SAT	550	DL:	(a) okay lah/
PR			(b) so we look we are looking at <i>H</i> lah hah/
SAT	551	PS:	[oka:y/
PR	552	DL:	minimum is] three thousand lah hah/ [I just take a note
			here ah/
SAT	553	PS:	minimum is three thousand/] yah/
PR	554	DL:	then we talk about it later ér/
Ø			
PR			say coffee/ what [is you:r

Although the quantity issue is integral as a factor in proposals, it is not developed into a bargaining arena, neither is it used to any extent as a *rationale* in making proposals but is instead part of the pricing structure.

A comparable development of interactional procedure can also be found in 1SS, the only negotiation in which there is no agreement. Like 2SS, 1SS has a limited development of bargaining arenas. However in contrast to 2SS, the *review* Transaction in 1SS is significantly limited in terms of coverage of issues. While 2SS has a *background* and a *product review* Transaction, 1SS has a single *product review* Transaction (see Table 12).

The 1SS negotiation has two issues which dominate many of the Exchanges: the status of the products and the contract size, ie the quantity. Both issues are introduced in the single *review* Transaction on product information, as illustrated in extract 25. The extract opens in turn 22 with RM, the buyer, responding to a Proffer by the seller in 17 asking about the kind of packaging required. After his Satisfy in 22a, RM introduces the issue of product status with a reference to the status of other products currently on the market in 22b/24. KS does not respond to this Proffer, as seen in the zero Satisfy. RM retains his turn in 24b, introducing a new issue of quantity in 24b. However, KS does not respond explicitly to RM's Proffer, indicated by the implied Satisfy preceding 25, but instead implicitly presents his position over the next few turns.

KS's position on quantity, a critical issue in this negotiation, is presented in a somewhat confused manner. He begins in turns 25/27 with his Proffer that a thousand cases is

attractive because of shipping and packing requirements. RM responds in 26 with a non-Satisfy, realised by an ambivalent back-channel device, since he prefers a larger order. KS continues with the development of his position in 29/31/33, stating that although he would like to sell two thousand cases a month, he prefers to start with one thousand because they are new products. RM initially responds with a full Satisfy in 32, indicating his preference for a larger quantity. However, when KS's position is subsequently clarified in 33, RM concludes the Exchange in 34 with a non-Satisfy, again using an ambivalent BCD.

[25]	SAT		22	RM:	(a) I think we can do with this two hundred gram erm for your coffee packing and the half litre juice
	PR				(b) half litre juice is selling well currently in the local market here/ mayonnaise is OK but mayonnaise we have to face strong competition from especially from Europe/ I think there are about five others are supplying to the market/
	(SAT)		23	KS:	=m-hmm/
	PR		24	RM:	(a) but the taste bud of the local market is that they have been using a lot of mayonnaise/
	Ø				
	PR				(b) I understand the minimum quantity you would sell for each category product is a thousand cases/ is that true/
	{SAT}				
	PR		25	KS:	because of the packing and shipment/ we prefer it to be in container/
	(SAT)		26	RM:	right/
	PR		27	KS:	so for a thousand case would be a more attractive type for packing wise/
	PR		29		so actually we prefer to sell something like two thousand er cases/
			31		per] each item/
	SAT		32	RM:	the more the better/=
	PR		33	KS:	=but for a new product in this market would be I think we we are able to do it for one thousand ca[ses each/
	(SAT)		34	RM:	m-hmm/]

As far as the status issue is concerned, although it is also a crucial issue, this is the only point at which it is discussed in the *review* Transaction. It is clear that its development is limited and does not set out any clear positioning on the issue for either side.

When the issue is next mentioned a few turns later during the first sequence of the *bargaining* Transaction, it is not discussed as an independent issue but used as a rationale. This is illustrated in extract 26 when RM, the buyer, refers to the product's new status in his Counter beginning in 42. KS, the seller, acknowledges the comment in 45 as part of

his Proffer in a Pre-responding exchange but does not Counter it. After RM completes his Counter in 52c, KS elaborates his position more fully in 53-71, highlighting the fact that although his product is new in the Singapore market, it is an established product in the Japanese market.

[26]	CTR	42	RM:	(c) we are interested especially in category A product because if we were to hit the market and being new yourself/ we will like to hit the market with a real impact if possible/ on quantity wise a thousand cartons is no problem/ we will like to have a longer relationship/
		44		suppose we were to use our own brands/ all right/ and if we were ready to attack the market we propose that we share advertising costs/ right/ fifty fifty let's say/ and really go into the market and hit the market/ would that be agreeable/ this first point/
	PR	45	KS:	of course we are new in this market
		47		we like to market this but are we going to have an exclusive kind of arrangement
	SAT	48	RM:	yes I was coming to it/ right why not we have a trial period say from six months/
	PR	49	KS:	but what is your expectation of the market consumption/
		51		for these three products/
	SAT	52	RM:	(a) we have twenty-four supermarkets and we believe we have the networks for sales
				:
				(b) and we have done a survey especially mayonnaise coffee and juice currently they're the hot item/
				:
	CTR			(c) so we are thinking of term contract say we start with six month and if things agreeable we can extend it maybe yearly kind of thing/ and that would help you in your economies of sale and production because it would be bigger quantity we would take also/
		53	KS:	you see in Japan for instant coffee we are the biggest/
	CON	55		manufacturer in Japan/ we capture about forty-five percent of the Japanese market/
		57		so even with local I think some of the Japanese supermarket are even quite willing to even taking from us this product/
		59		which we foresee it can be of great potential here/
		61		before we like to enter into more closer kind of agreement with you/
		63		of course we are looking into three product together/ I would say our instant coffee we can market quite well/
		65		because we have been approached by some of the local Japanese
		67		supermarkets/ so I hope we can work out together for some kind of arrangement/ so for I think to develop together of course we have to come in pricing/ and in term of quantity/=
		69		for us to stay in this market/=
		71		I hope to develop for actually for frozen juice/ I think we have the potential here/ I have done some market

survey/ before I come here/ so I think we have a
potential of selling about four thousand cases a month/

Although KS's Move in 53 functions primarily as a Contra to RM's proposal in 42, it also appears to serve as a Contra to RM's position on KS's product status.

The next three mentions of the status issue function in a manner similar to the instances in turns 42 and 45, in other words as an undeveloped rationale. Extracts 27-29 illustrate these mentions. In extract 27, the buyer RM refers to the issue in his Satisfy to KS's Proffer of a four thousand case order. In extract 28, RM again mentions the issue as part of a counter-proposal on credit. Finally in extract 29, the seller KS refers to the status issue as part of a Contra which deals with the pricing structure.

- [27] SAT 74 RM: frozen juice/ four thousand cases a month/ pretty steep order because considering that it's a new brand/ we: would like to go in stages first slowly assessing the market as we sell/ we would not want to
PR 76 (a) you know bring in four thousand and get stuck with it you know/
(b) perhaps we're thinking of in stages two thousand shouldn't be a problem for juice I would say/
- [28] CTR 110 RM: (b) now the only thing is that coming back to this credit thing would you give us certain kind of credit thirty days sixty or ninety/ since we taking almost twelve thousand cartons already/ at the start/
(pause)
and bearing in mind that you are new in the market/
111 KS: (laughs)
112 RM: we have four other suppliers currently already/ we are very confident we can sell your product/ but with our own brand/ because we are really going to hit it through cinema advertising er television and radio/ and really promote the product/
- [29] CON 135 KS: and for A price I think it's not a realistic price/
136 RM: m-hmm
137 KS: I've] made some references in the local market/ like instant coffee/ like Maxwell like Nestle/ they are selling at more or less the pricing wise is around G I price level/ so for our concern for that our brand is comparable to them/ because it's well known in the Far East market/
(SAT) 144 RM: right
145 KS: so as I explained to you we can't make too much of adjustment in term of that pricing

The extracts show little or no development of the issue, although in the case of KS's use of the issue in extract 29, the *rationale* is partially based on the position he developed in extract 26. It is simply employed as a *rationale* to the head Move. It should also be noted that in none of the extracts is the issue taken up for clarification or correction.

The issue is next mentioned a few turns later in the same Exchange. This is illustrated in extract 30 in the Pre-responding exchange between turns 157b and 164. KS raises the issue in 157 to justify his restricted pricing structure. In this case, RM responds to the issue in his Proffer in 164a and also elaborates his positioning with regard to the issue in 164b.

[30]	PR	154	RM:	so you're in other words you're saying that you cannot supply more than a thousand cases each
	SAT		KS:	you see
	PR		157	(a) volume is no problem for us/ (b) as I say the pricing that we have to give is of a small range we can adjust/ because we are comparable to the big roasters/ like Maxwell House like Nestle/
		159		
		161		
	SAT	163		
	PR	164	RM:	(a) yes we understand that (b) but as you are aware currently we are having four other suppliers/ and we would like to spread our base of course by incorporating you/ also that you must bear in mind that although your product is selling very well in Japan/ but it's not selling in our market yet/ you know/ to penetrate a new market you know the difficulties/ to sell
	{SAT}			
	CON	165	KS:	that's why we'll like to come in I mean that's why I come here today for a trial basis/ we like to set up say for a smaller volume

This brief attempt to jointly develop a position on the status issue in the Pre-responding exchange is terminated with a zero Satisfy. KS then takes up his turn in 165 with a Contra introducing his proposal for a trial relationship.

There are no other instances in which the negotiators attempt to establish a common positioning on the issue, although they continue to develop their own individual positionings on the issue. At the same time they continue to use the issue as a *rationale* to back up proposals. For instance this can be seen RM's Contra in 230 and KS's Counter in the turns 237-251 that follow:

- [31] CON
- CTR ←
- 230 RM: :
quantity is no problem/ but on a pricing wise I'm afraid
we cannot do with price I for coffee and juice and
mayonnaise/ our the best we can do to penetrate new
market is the A category/ if your brand is already
established in the local market no problem taking I or
G but we are afraid we'll be encountering severe
competition from the Europeans and Japanese here/ as
you know the many brands here and it's very difficult/
:
- 237 KS: and of course like for instant coffee and juice/ as I say
our brand is known to the world/ for example I quote
you like Maxwell/
239 which they are not selling here in Singapore/ maybe
five years ago/ but now they are selling quite well
because it is well-known in the States/
241 that's what actually today's supermarket like Safeway/
they are selling their goods well/ here in Singapore
which they are the the biggest chain in the States/
243 so for like us the brand itself it carries weight/ because
first our quality is guaranteed/
245 consumer know what are they getting/ and foreigners I
mean the supermarket actually the great proportion
come from foreign or expatriate working here in
Singapore
247 so it's easy for them to pick from the shelf/
249 because they already have the purchase kind of habit in
in their home town/ so I don't see: too much of
difficulty for us of selling the the two items which I can
mention to you is well-known to the market/
251 but our brand name do carry weight/ so actually I
would suggest for the beginning/ we market our brand

The final mention of the status issue is illustrated in extract 32. RM employs the issue in a long Counter reinforcing the points he Proffered in 164b in extract 30 in which he attempts to undermine the standing of KS's company. At the same time he also expands his position to advance the standing of his supermarket chain (turn 272/274). KS's Counter appears to be a counter-attempt to diminish RM's standing.

- [32] CTR
- CTR ←
- 272 RM: as I mentioned although your product is selling well in
Japan/ but it's never been in this market before/ and
whether it's your brand or or our brand ér/ you do not
have network ér/ you only have regional office here/
we have a current network
- 273 KS: right=
- 274 RM: (a) =right from twenty-four supermarkets half of which
is operating twenty-four hours/
(b) it'd be very costly if you were to go into this venture
alone I do not foresee how/
and we are the biggest around/
(c) and also you must appreciate that we are: taking
from four other suppliers already/ and currently the
competition is very severe:/ for mayonnaise coffee and

CTR ←

275

KS:

juice altogether there are about let me think about eight
(d) other brands in the market already/
to have a pricing of anything below A is er totally
unworkable at all/ I'm afraid/
Ronnie it is a relatively small volume I mean you're
marketing maybe like five six thousand cases/ a month
of course it would be difficult for you as well to take
one shot that market our product alone

Notably, this final mention of the status issue occurs in the opening stages of the final Exchange, less than half way through the negotiation. It appears RM's extended Counter functions, like the summary statements used in 3BB and 2SS, as a discouragement to further mention of the issue.

The interactional procedures illustrated so far reflect a similar lack of development of a bargaining arena that was seen in 2SS. In addition, there is also a tendency for the negotiators in 1SS to employ the status issue in spite of this fact. The same limitations can also be observed in the employment of the quantity issue. After the brief discussion on the issue during the *review* Transaction illustrated in extract 25, the next time it is mentioned is in 67 (except for a brief confirmation RM makes regarding the aforementioned discussion in 42: "on quantity wise a thousand cartons is no problem"). The issue is re-introduced by the seller KS in his response to the buyer's proposals on credit, price and promotions presented between turns 42-52. Extract 33 begins mid-way through a multi-headed Contra presented by KS in response to RM's proposal. The quantity issue is raised in a Mid-move Exchange which KS initiates in 71.

[33] CON

67

KS:

:
so I hope we can work out together for for some kind
of arrangement/ so for to develop together of course
we have to come in pricing/ and in term of quantity/
for us to stay in this market/=

69

RM:

=right/

70

KS:

I hope to develop for actually for frozen juice/ I think
we have the potential here/ I have done some market
survey/ before I come here/ so I think we have a
potential of selling about four thousand cases a month/
can you really take up to that quantity on your
projection wise/

73

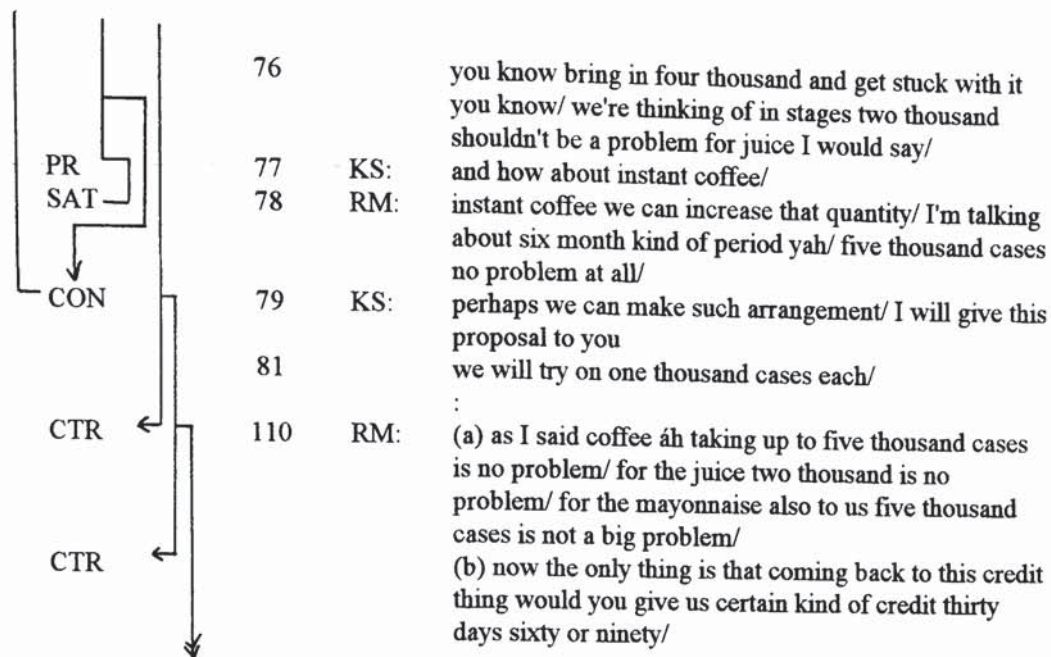
RM:

frozen juice/ four thousand cases a month/ pretty steep
order because considering that it's a new brand/ we:
would like to go in stages first slowly assessing the
market as we sell/ we would not want to

74

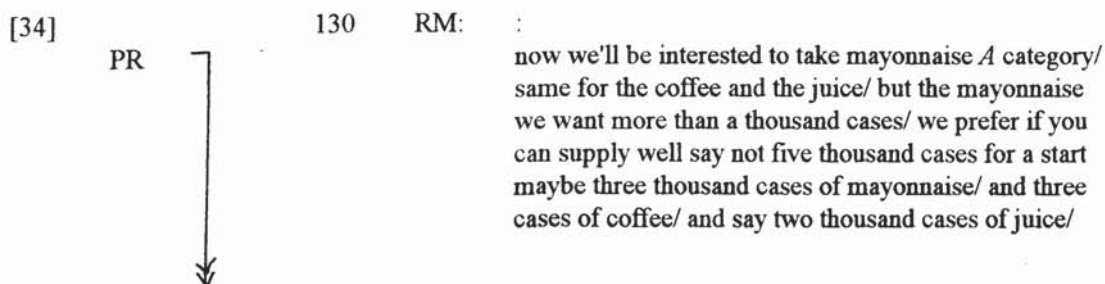
PR

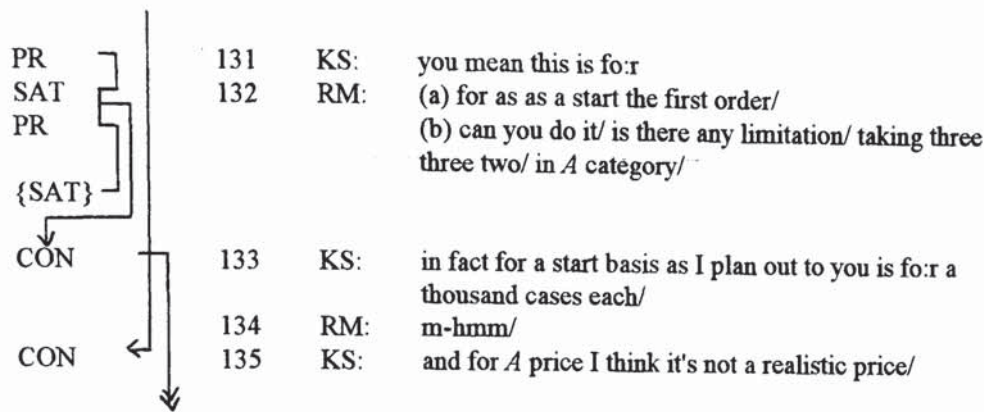
SAT



Although both negotiators previously agreed on a contract size of one thousand cases (KS in 25-33, and RM in 42), this position appears to shift in the above extract. In what appears to be a tactical move, perhaps to undermine RM's positioning and to enhance his own, KS attempts to re-establish his positioning on the quantity issue in the Mid-move Exchange between turns 71-78. However the attempt is unsuccessful as can be seen in RM's Contra in 110a. Although there is an opportunity to clarify the individually established positions in the Pre-responding exchange, KS terminates the subordinate Exchange in 79 with a continuation of his Contra in which he re-proposes a contract size of one thousand cases. RM Contrasts KS's proposal with his own proposal in 110a, which is a restatement of his position developed in the Pre-responding exchange. The issue of quantity is not resolved at this point because RM introduces the issue of credit in 110b.

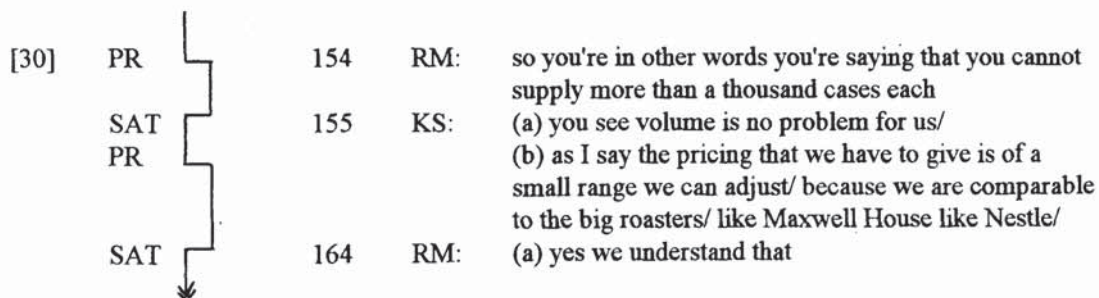
KS has an opportunity to clarify his position on the quantity issue a few turns later in the next Exchange. In 130, RM Proffers a proposal dealing with price and quantity. In the Pre-responding exchange between turns 131-132, RM specifically asks KS (turn 132b) for his opinion regarding the proposal. KS responds with an implicit Satisfy and continues with a Contra in 133 and 135 to RM's Proffer.



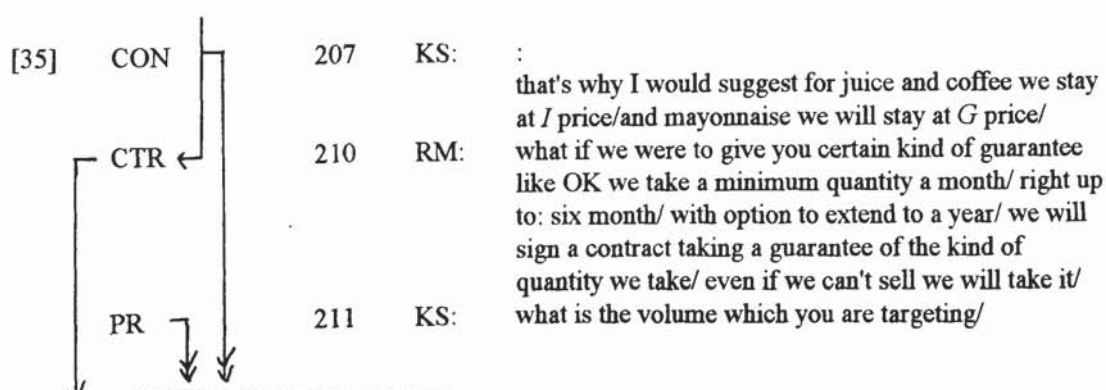


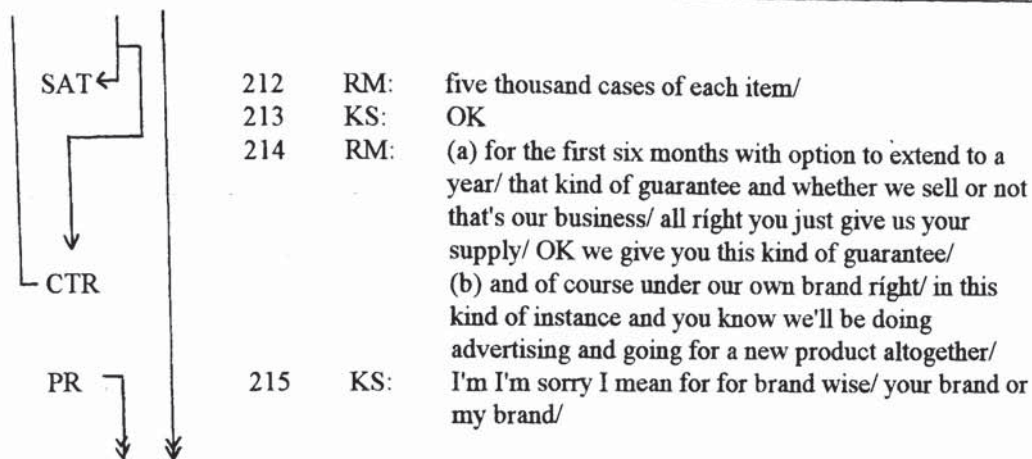
In terminating the Pre-respondering exchange with the implicit Satisfy, KS foregoes an opportunity to establish a clearer positioning on the issue of quantity. Instead he briefly Contrasts the quantity proposal in 133 and proceeds in 135 to provide a lengthy Contra focusing on the issue of pricing.

At the end of KS's Contra begun in 135, RM returns to the issue of quantity in 154 by initiating a Pre-respondering Exchange (illustrated in extract 30; relevant section reproduced below). The Pre-respondering exchange begins with RM's Proffer in 154 which attempts to clarify KS's position on the issue. KS responds in 157a with an indeterminate Satisfy and returns once again to the pricing issue in 157b.

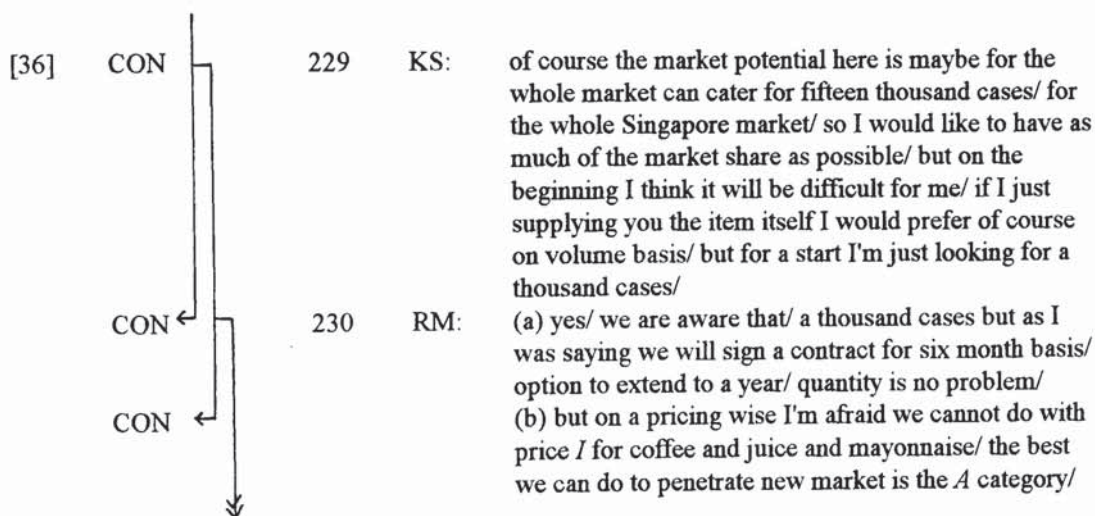


The issue of quality is not mentioned till several turns later when it is again raised by RM. He introduces the issue to Counter a proposal KS makes in turn 207. RM's Counter in 210, which is expanded in the Pre-respondering Exchange in 211-212, offers an even larger contract than before. KS's response is to initiate another Pre-respondering Exchange in 215 dealing with the issue of branding introduced by RM's Counter in 214b.

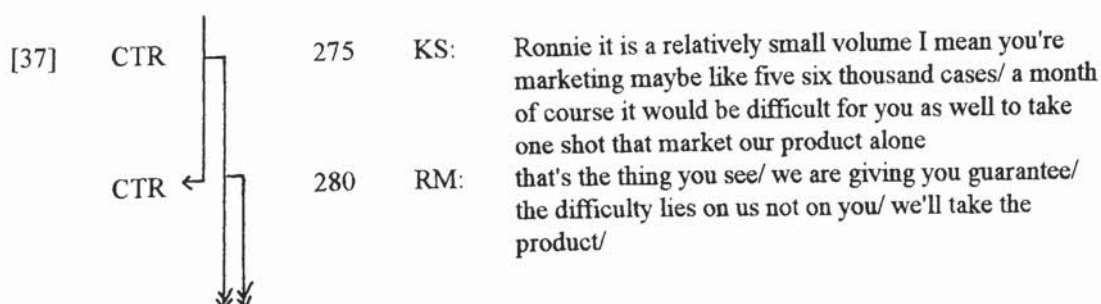




After dealing with the issue of branding initiated in 215, KS returns in 229 to the quantity issue. In 229, KS Contrasts RM's Counter (presented in 210 offering a minimum quantity of five thousand cases a month) reiterating that he prefers to start out with a thousand. RM, in turn, Contrasts KS's offer in 230a reminding KS of the extended contract length on offer. RM then retains his turn with another Contra in 230b reiterating his price proposal. Again no clear positioning on the issue is established.



In this, and the remaining two mentions of the quality issue, the negotiators make no further attempt at clarifying their respective positions. However, KS continues to employ the issue in bargaining *rationales* based on his own positioning of the issue. Each time he does so, his position is undermined by RM's counter-Move. This is illustrated in extracts 37 and 38.



	CTR	285	KS:	that's why I mean I come here not just selling for your guarantee unless you guarantee me for the next twenty years/ I mean selling this sort of finished product our company is looking out for long term/
[38]	CON	482	RM:	we're taking a big risk coming to the <i>B</i> category itself/ a great loss to: us already right now/
	CTR	483	KS:	we can't/ we can't make that I mean we can't because of a thousand cases/ [and
	CON	484	RM:	ah] well we can always take more than a thousand it's no problem to us/
	CON	485	KS:	this is for trial I think we [I
	CON	486	RM:	(a) we] are very confident that we can take/ whether it's trial or no trial we can take/ the minimum quantity up to you two thousand three thousand/ it's not problem/ (b) we are flexible in that sense that we can take quantity you produce/ and we are flexible in the sense that we can market your brand/ so we have come down quite a fair bit not just on pricing but on other areas also/
	CTR	489	KS:	Ronnie I mean I come here I mean I'm very sincere to: the pricing to you/

Extract 38 also illustrates the penultimate mention of the quality issue. The issue is introduced by KS when he uses it in 483 to Counter RM's price proposal in 482. This initiates a series of Contrasts (turns 484-486) in which the arguments developed in support of the negotiators' individual positions are recapitulated. RM terminates the series with a Counter in 486b which includes the quantity issue. Its functions, like the summary statements described in 3BB and 2SS, to effectively discontinue further discussion and elicit a personal appeal from KS in 489.

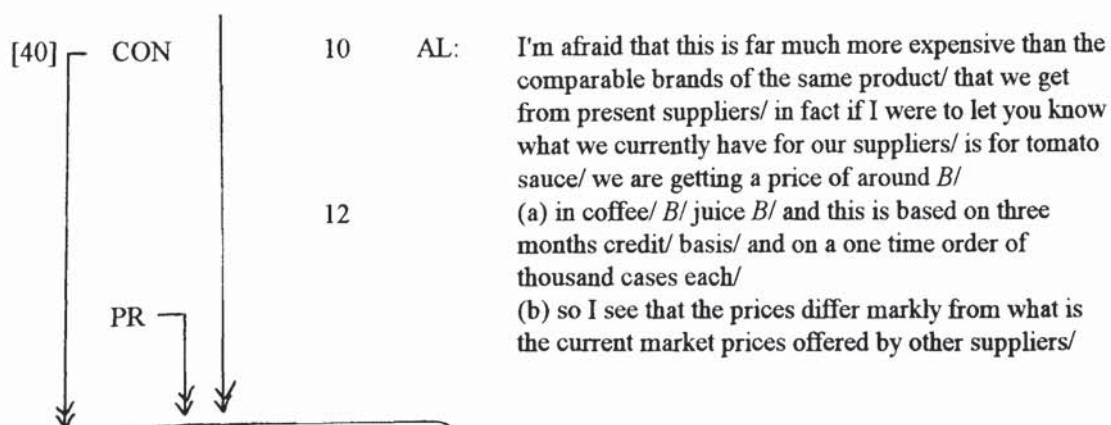
The final mention of the issue occurs a few turns later in response to a personal attack by KS in 495. RM Counters this Move with a further summary statement in 496, again including the quality issue. This is illustrated below in extract 39.

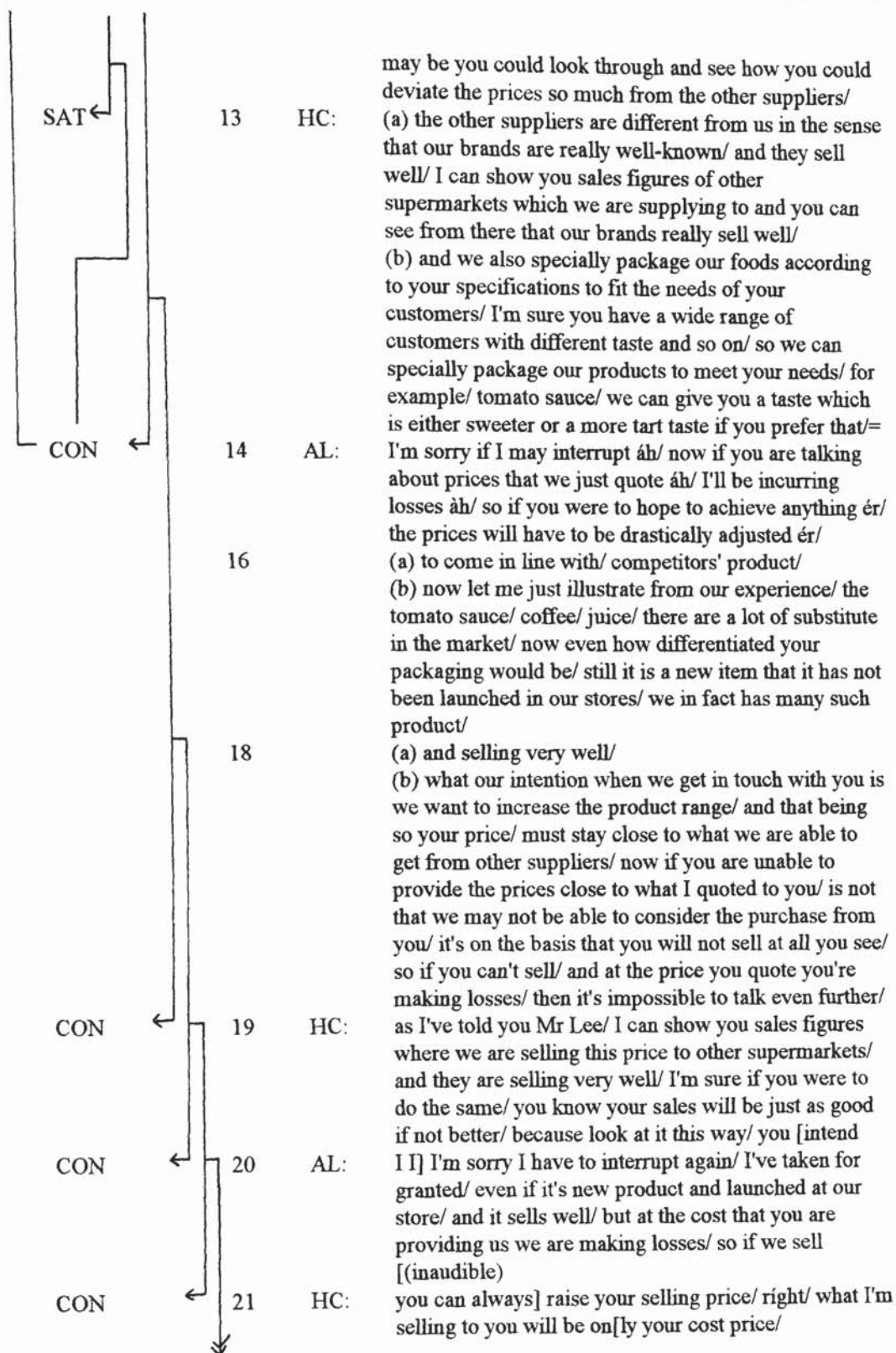
[39]	CTR	495	KS:	:
	CTR	496	RM:	but I feel that you've not been frank to me on= =e:r (laughs) I think we have been very flexible in the sense that we have came down from <i>A</i> to <i>B</i> category/and that we are giving it your own brand/ like you say/ and we are taking a quantity of three thousand/ minimum/ anything we can't sell we will take it/ all right it's our problem and not your problem/ and also we are willing to take only thirty days credit and not forty-five days credit/

It is clear from the context that RM is unwilling to move from his position and wants to terminate the negotiation as can be seen in his Moves in 490 ("the best we can do is ..."), 502/4 ("I'm afraid this the best I can do"), 556 ("I'm afraid that beyond that we cannot adjust anything further").

Although there is a basic disagreement as to what the contract size of the order should be, a fundamental issue in any sales negotiation, the negotiators in 1SS do not make a point of settling the issue. Part of the difficulty could lie in deciding which issues to handle when responding to extended turns which feature multiple head Moves dealing with several issues at a time. Furthermore, these Moves are interspersed with Mid-move Exchanges needed to present new proposals or to expand on incomplete ones, as well as to sort out unclear positionings. As with the interactional procedures examined in 2SS, the negotiators tend to employ issues as *rationales* based on individually developed, rather than jointly developed, positionings.

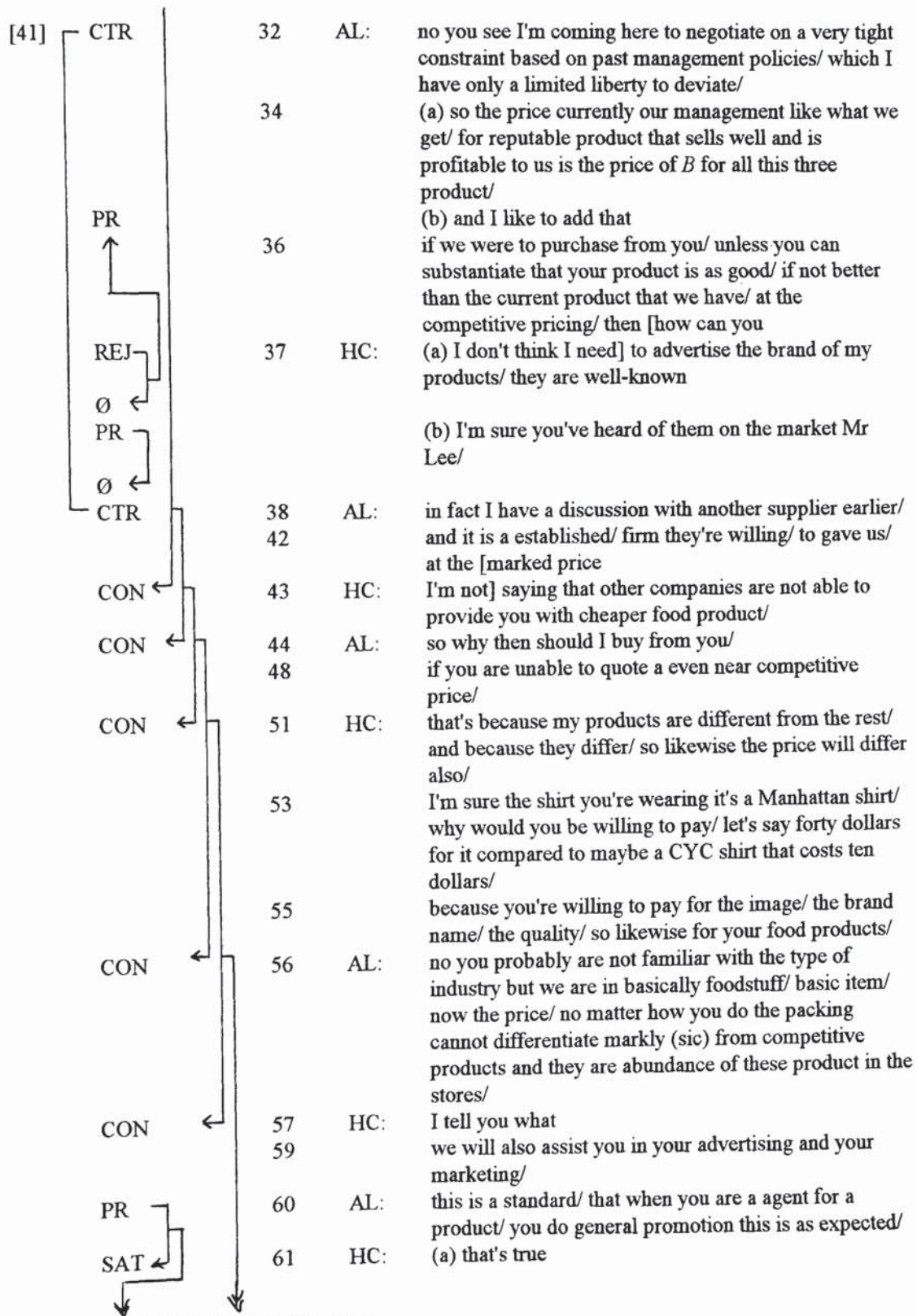
3SS employs interactional procedures similar to those found in 1SS. Like 1SS, the issue of status also dominates the negotiation. The first mention of the status issue in 3SS is illustrated in extract 40 below which opens with AL, the buyer, Contraing a proposal that HC, the seller, Proffers in turn 7. The Contra is developed over several turns in 10, 14 and 18b. In addition to the Contra in 10, AL also asks HC to account for the disparity in prices between HC's prices and AL's other suppliers. It is in HC's Satisfy in 13a that the first mention of the status issue is introduced. In justifying his prices, HC claims that his products are well-known and sell well (13a), and that he also provides additional services (13b). AL continues with his Contra in 14, and in raising the status issue as he elaborates on his position (16b), he also responds to HC's justification in 13b. In 19, HC responds to AL's extended Contra with a return to the status issue.

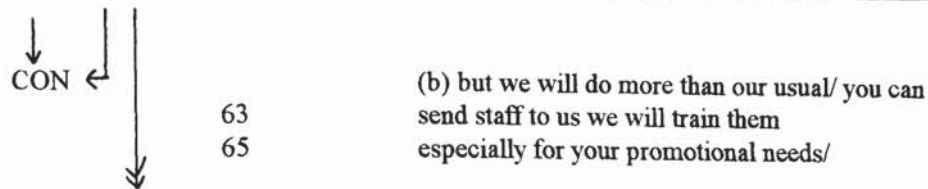




The extract illustrates how the price proposals are discussed and how the status issue is simultaneously developed and used as a *rationale* in counterpoint to each other. The development of the status issue and its employment as a *rationale* for the price proposals could be said to merge in 19. The consequence of the synthesis of these issues is that there is no clear outcome to the development of the status issue.

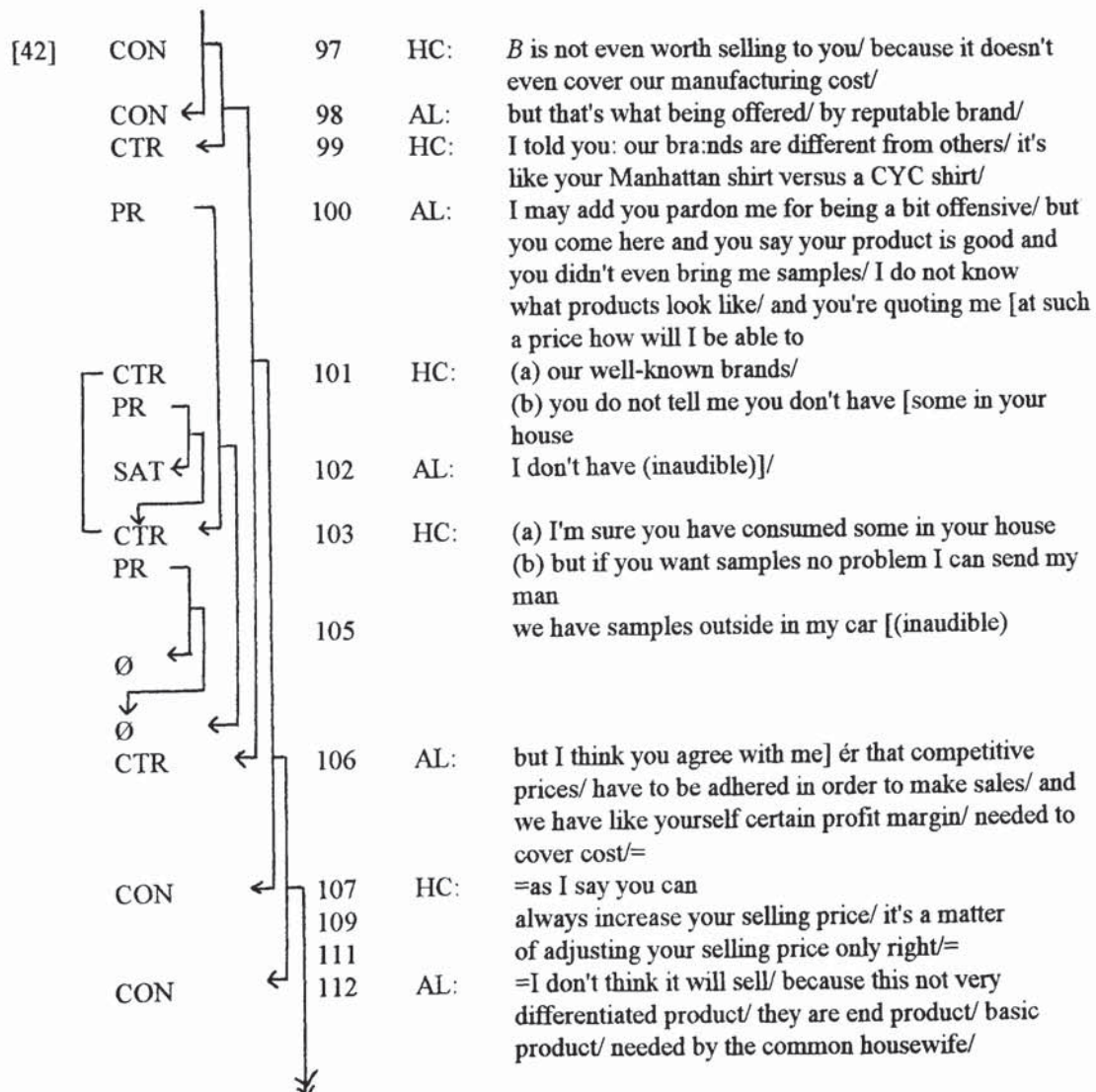
The status issue is raised several more times in the negotiation. In the following extract, AL, the buyer initiates a Pre-responding exchange by introducing the issue in a Proffer in 34b, asking HC, the seller, to substantiate his claims. Then in 38, AL initiates another Pre-responding exchange in which he states that better pricing is available from another supplier. This eventually results in the status issue being brought up again by HC in order to substantiate his pricing.





The Pre-responding exchange provides the negotiators with the opportunity to clarify their positionings on the status issue, but there is no outcome to the *progressive* Exchange between 38 and 56. Thus AL's attempt to undermine HC's positioning in 34b and HC's attempt to establish the differentiated nature of his products in 51-55 are both unsuccessful as seen in the zero Satisfies.

The issue is next employed by HC in 99 to Counter AL's claim that other reputable brands have better pricing. AL initiates another Pre-responding exchange in 100 with an attack on HC. The outcome of this subordinate Exchange is another zero Satisfy. Subsequently, AL also uses the issue as a *rationale* in 112 to Contra HC's proposal to increase AL's shelf prices in 107.

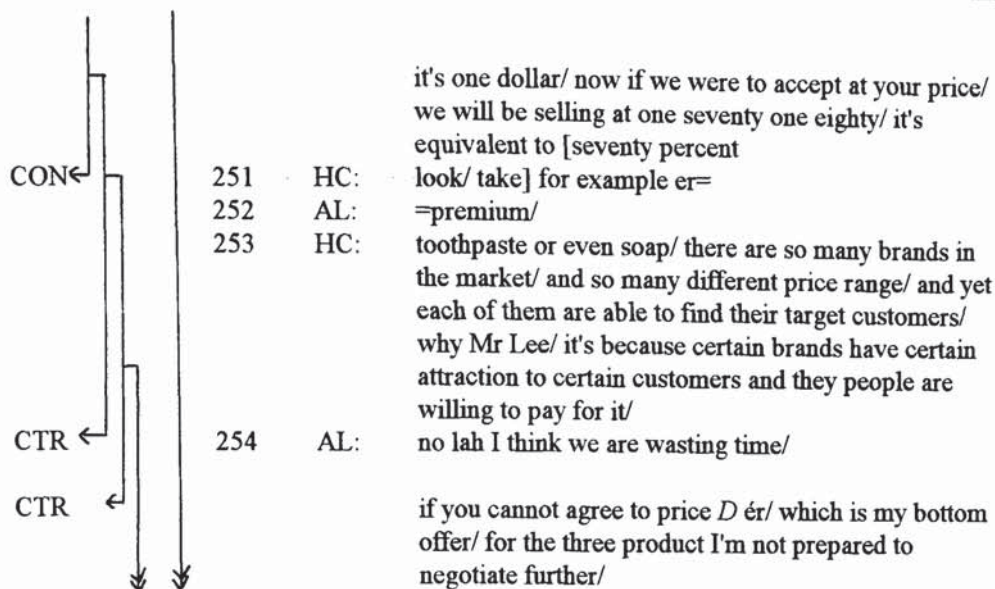


This extract exemplifies another attempt by AL to undermine HC's position on the status issue. However, the Pre-responding exchange again results with a zero Satisfy indicating the lack of an outcome. At the same time, AL continues to use the issue as a *rationale* in 112.

The issue recurs in other segments of the negotiation in which the negotiators appear to discontinue further attempts at developing the issue and simply employ it as a *rationale* in making and defending proposals. This can be seen for instance in 204 where AL highlights the opportunity cost of dealing with a new product; in 209 where HC restates the popularity of his products in other supermarkets; in 224 where AL points out HC's products are generic; and in 234 where AL contends that HC's new products have to be competitively priced in order to compete with the established brands which have a loyal customer base.

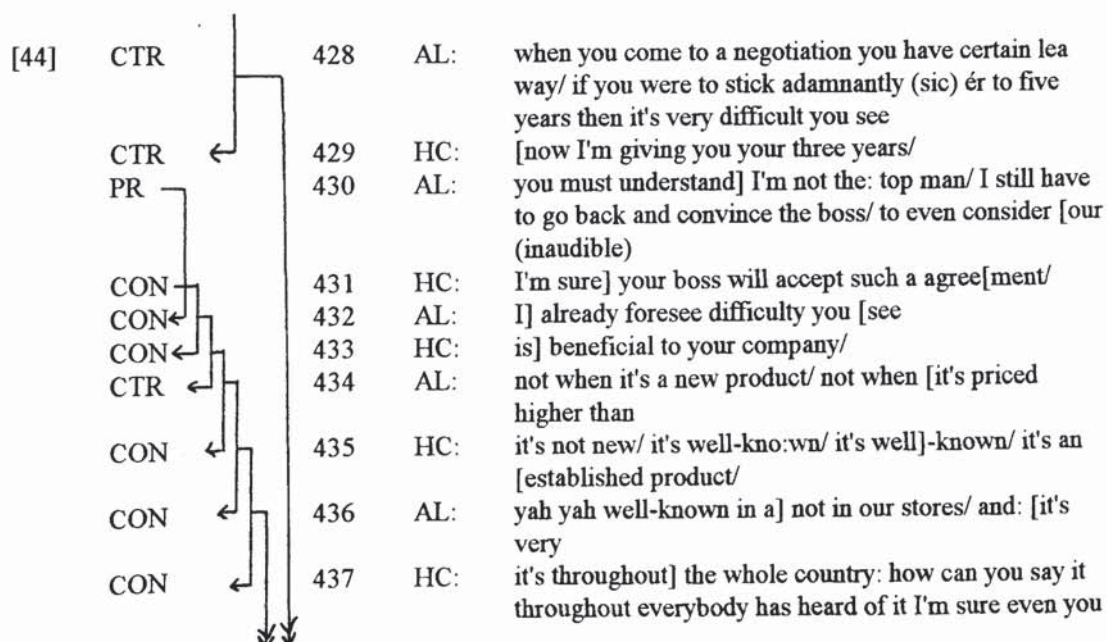
The next time the status issue is re-introduced, the interactional procedures correspond to those used in extract 43. In both instances, the issue is raised by HC as a rationale, which prompts AL to initiate a Pre-responding exchange to query the positioning of the issue. In this extract, the issue occurs in HC's Counter in 247 in which he restates his *rationale* that his pricing is justified by the differentiated nature of his products. AL retains the status issue in his response in 248 in which he queries the differentiated status of the products.

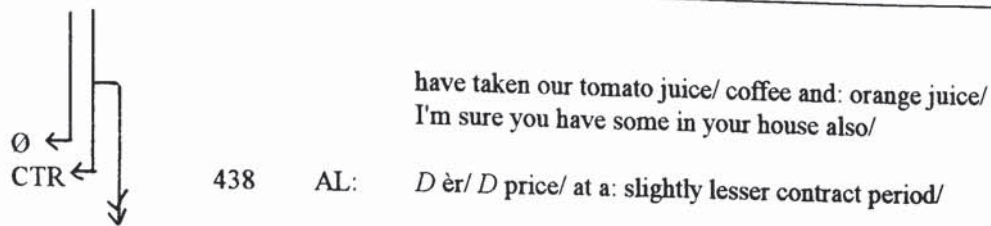
[43]	CTR	245	HC:	that is what I'm offering my present customers now I'm telling you the truth Mr Lee/ you can check with them if you do not believe me:/ those are the prices/ if I give you too low my other customers are going to come after me/ they say what what what makes your Peninsula Supermarket so special/
	CON←	246	AL:	(a) that's is your part of the problem with your own pricing and your own cost/ (b) now I'm working on a very reasonable basis that prices should not deviate from the existing market prices/ charged by other suppliers/ and I believe yours is could not [(inaudible)]
	CTR←			
	CTR←	247	HC:	these are diffe]rentiated products Mr Lee/ they are [(inaudible) how can you compare
	PR	248	AL:	tomato sauce/ coffee] and juices how differentiated can they be/ [even if it's differentiated
	CON	249	HC:	you'll be surprised nowa]days I can give you examples of [quality goods/
	CTR←	250	AL:	no at your price] that you charge áh/ the current tomato sauce that we have áh and it's very very well accepted



AL's response in 248 is potentially either a Contra or a Proffer and it is the latter that HC chooses to respond to with his Contra in 249, taking the opportunity to elaborate his position on the status issue. At the same time, AL attempts to short-circuit the Pre-responding exchange with his Counter in 250 by elaborating his *rationale* in 246b. HC however, continues with his Contra in 251/253. The Pre-responding exchange is terminated by AL in 254 with two Counters. The first appears to respond to HC's positioning on the status issue and the second to reinstate the main bargaining procedures.

The status issue occurs one last time in another Pre-responding exchange. The subordinate Exchange begins in 430 with a Proffer by AL sharing the information that he will have difficulty getting the agreement of his superior. In 434, the status issue is raised by AL to Counter HC's Move in 433, and the Exchange again closes with a zero Satisfy.





Although this extract occurs towards the close of the negotiation, it can be seen that the negotiators do not establish a common ground as far as the status issue is concerned, and thus the issue does not play a role in eliciting movement on the opponent's part.

The interactional procedures used in the development of substantive issues in the Singaporean-Singaporean negotiators are significantly different from those employed by the British-British negotiators. Because the Singaporean-Singaporean negotiations tend not to have extended *review* Transactions, jointly developed positionings on issues do not occur as in the British-British negotiations. Instead, issues are simultaneously raised and employed as *rationales* as and when they are perceived to be necessary in *bargaining* Transactions. This is reflected in the complex Exchange structure in the *review* Transactions, which tend to have a large number of Mid-move Exchanges and the other subordinate Exchange structures.

Furthermore, the issues introduced in the *bargaining* Transactions tend not to be comprehensively developed. When they are, they tend to be individually rather than jointly developed, as observed in the lack of uptake and the zero Satisfies observed in the Exchanges. Unlike the British-British negotiations, the interactional procedures in the Singaporean-Singaporean negotiations have a less critical role in achieving outcome. Although the procedures are necessary in developing substantive issues, their influence in moving the negotiation toward settlement point is limited.

4.3.1.3 The British-Singaporean Negotiations

In contrast to the intracultural negotiations examined above, the British-Singaporean negotiations, as a category, are the least homogeneous of the negotiations. Each of the outcomes are arrived at in an idiosyncratic manner. However, each of the negotiations contains elements of procedures identified as being particularly Singaporean or British.

At the same time, as would be expected, the intersection of two styles of interactional procedures also produces procedures unique to the intercultural negotiations.

The first of the negotiations in this category to be examined is 1BS. As described in the introduction to this section, its Transaction structure is very much like the British-British interactions but with a more limited coverage of issues. A few of these issues provide the negotiators with a limited bargaining arena, such as quantity (72-75) as well as branding (79). There is also the issue of pricing that plays a role in establishing the first price proposals.

The pricing issue is first introduced in the *review* Transaction as illustrated in extract 45. The issue is introduced as a result of AM, the British seller, Proffering information about developing a new brand for the Singaporean buyer in 79b. In doing so, AM also indicates that this will have an effect on the pricing (81b, 83-87). RM's response to these Proffers is to initiate a Pre-responding exchange (88-91) clarifying AM's Proffer on branding (in 79b). RM follows this with a Proffer in 92 providing a clearly positive response to AM's position on branding.

[45]		79	AM:	:
	PR			(b) if you wanted we could create a new brand/ we would take on the promotional aspect/ if you could give us permission to set up promotional campaigns within your market/
	(SAT)	80	RM:	right/
		81	AM:	(a) we'd do that on our own cost/
	PR			(b) but obviously with a new brand/ the wholesale price would be slightly higher/
	(SAT)	82	RM:	hmm/
	PR	83	AM:	if you were to take the normal branded product/
		85		which] is already fairly well known/
		87		locally/ .
				then obviously it would be slightly cheaper/ .
	PR	88	RM:	so you'll be interested in new brand whereby we get into a venture with you
		89	AM:	[oh yes/
		90	RM:	to pro]mote the product/
	SAT	91	AM:	yah/
	Ø			
	PR	92	RM:	(a) because I think that is a good idea/
				(b) as you know we have about sixty supermarkets round and
		94		you know the names are quite well known/
				yah we'd be interested in this idea/
	Ø			

RM does not immediately provide a clear response to the pricing issue as can be seen in his non-Satisfies in 80 and 82. However, RM's acceptance of AM's position on the pricing issue is implicit in RM's Proffer a few turns later in 98, which also initiates the first proposals of the negotiation.

[46]	PR	98	RM:	how much price differential would that be/ as against the old brand/ any rough estimate/
	SAT	99	AM:	(a) I would say well it's going to range for each product/
	PR	101		(b) on the salmon/ you're aiming at a specialist market/ consequently you have to aim your promotion/ at a certain area of the population/
		103		that is a little more difficult/ because you have to pick specific times/ specific areas/
		105		obviously we would not want to push it in some of your supermarkets where the average consumption for salmon is very very small/ if we did that then you would find that you would have a lot of stock left over/ and the shelf life for salmon is not that long/ so on that basis we'd be looking maybe on a price differential most probably a good fifty percent higher/ on a new brand/
	PR	106	RM:	fifty percent/
	SAT	107	AM:	[yeah/
	PR	108	RM:	wow/] that's quite heavy/
	SAT	109	AM:	well that would the smoke salmon is on the retail side from your side a fairly high priced product/
		115		:
		117		so the normal whole sale price/ is fairly low/
				so fifty percent increase is not actually that much in dollar terms/
	PR	119		the cheese is on the same wave-length as the salmon/ but not as bad/ the margins for us are a little more/ and we'd be most probably looking at something like a a thirty thirty-five percent increase on the price/ for a new brand/ for the tomato sauce that one obviously is easier to push/
		123		:
				and there we'd be looking at maybe er twenty-five percent/ twenty twenty-five percent increase/ the additional percentages would cover our promotional costs advertising campaigns/ research/ that area/

Although the pricing issue is the basis on which the price differential proposals can be advanced, it is also clear from the extract that the *rationales* for the proposals centre on issues such as customer profile (99b-101) and product turnover (105). In other words, the pricing issue is limited as a means for developing proposals and eliciting movement. This can be seen in extracts 47 and 48 which present the pricing proposals developed in the *bargaining* Transaction.

In addition to the positioning of the pricing structure which the negotiators jointly develop between 99-147, AM introduces the issue of payment. The issue is introduced as part of the price proposals he makes based on the pricing structure established with RM. The payment issue is raised in a Mid-move Exchange initiated by AM in 163b.

[47]	CON	157	AM:	:
		159		on the: cheese/ we would normally charge around <i>E</i> / so for an additional thirty-five percent you'd be looking at around maybe <i>F</i> dollars/
		161		tomato sauce is easier to push/ if you're going on a mass campaign/ fifty percent/ the normal price would be an <i>F</i> /
		163		(a) fifty percent you're looking at I suppose we could do it at an <i>H</i> /
	PR	165		(b) if you wanted we could give you credit terms/ which may help you/
	SAT	166	RM:	yes the normal terms/ [yes/
	PR	167	AM:	what] do you normally getting from your other suppliers/
	SAT	168	RM:	normal thirty days per month/
	PR	169	AM:	I mean we would like to do obviously a lot of business with you/ the normal interest we would give on thirty days is about one and a half percent above base rate/
	(SAT)	170	RM:	m-hmm/
	CON	171	AM:	if you wanted/ to help you out/ on a new product/ on a new brand/ we could extend that credit/ to maybe sixty days/ but it would really depend on what sort of prices we came to an agreement on/
	PR	172	RM:	yup that's true/ we have done our survey and that we yeah you're right/ we intend to push the tomato sauce/ right to the public/ that is why we would put up the cost as fifty percent because there's going to be a lot of advertising outlay/
		174		(a) the salmon would be only twenty-five percent/ the cheese thirty to thirty-five percent/
	Ø			(b) now coming to: credit did you say thirty days on one and a half percent base rate/
	PR	175	AM:	one and a half percent above base rate/
	SAT	176	RM:	well normally we get credit thirty days half percent only/ we have never encountered one and a half percent at all/
	PR			

After a series of Proffer-Satisfy Exchanges between 163b and 170 in which the negotiators develop a common understanding of the payment issue, AM integrates the payment issue with the pricing issue in 171 which can be seen as an expansion of his Contra begun in 157. RM responds with a Proffer in 172 summarising his positioning on the pricing structure which was established several Moves back between turns 99-147. Then in 174b, RM initiates another subordinate *chained* Exchange in which he seeks to

re-establish the payment issue. At the same time, he also isolates the payment issue from the pricing issue.

The negotiators' positioning on the payment issue is further developed in a Pre-responding exchange between 174b-189. The conclusion of this Exchange is illustrated in 181-189 below. In 191, AM once again integrates the payment and pricing issues in a Contra.

[48]	SAT	181	AM:	I think we might be able to manage that/
	PR	183		we're talking a six month contract base yéah/
	SAT	184	RM:	right/
	PR	185	AM:	if we had an option to renew the contract after six months/
		187		yah we can most probably give you
	SAT	188	RM:	that would be great/
	PR	189	AM:	(a) half a percent/
	Ø			(b) but a lot will depend on again the contract price/
	CON	191		I mean based on the:: promotional figures/ that you've given me/ I would say that we're looking at <i>H</i> dollars on the tomato sauce/
		193		<i>F</i> dollars on cheese/
		195		(a) and <i>G</i> on salmon/ (3.47)
				(b) and we would give you thirty days on half a percent on all of that/ (4.25)
	Ø			
	PR	196	RM:	the reason we're pushing tomato sauce is that we are hearing that there are certain brands coming especially from Cold Storage/ and they're pushing the brands/ new brands and
		198		I mean they're coming also from Europe/ have you heard that/

There is a 3.47 second pause at the first transition relevance place at the end of AM's Contra. At that point, AM retains his turn in 195b by expanding the Contra with a repetition of the positioning just established in the preceding Pre-responding exchange. At the next transition relevance point, there is a further pause of 4.25 seconds. RM then uptakes the turn with a Proffer in 196 which in fact terminates the *bargaining* Transaction with a zero Satisfy.

RM's Proffer in 196 initiates a short *background review* Transaction. At the end of that Exchange, the second *bargaining* Transaction begins with AM's Proffers of a request for RM's reaction to the price proposals. Instead of responding to that Proffer, RM Proffers

his own price proposals. This results in an extensive Pre-responding exchange initiated by AM in 217.

[49]	PR	213	AM:	so how do you feel about the prices that that we've indicated so far/
	Ø			
	PR	214	RM:	well on on this twenty-five percent salmon/ thirty-five cheese and fifty tomato sauce shared cost/ and we'd be interested in the <i>A</i> category/ the best premium quality yáh/ obviously if we are to go into venture it has to] be best quality/
	PR	216		
		217	AM:	when you say quality wise yah/ I mean you can be sure that the quality you receive will always be the best/ but I mean it comes down basically to a pricing structure/
	(SAT)	219		
	PR	220	RM:	(a) right/ (b) so basically the prices on the <i>A</i> category are there/ acceptable and it's only a combination twenty-five percent/ thirty-five and fifty percent right/ shared cost/
		221	AM:	well I think I mean an <i>A</i> category quality is fine/ but if you're talking <i>A</i> category price/ <i>A</i> dollars then you] know/ there's no way we can accept that/ we would have to go for an <i>H</i> an <i>F</i> and a <i>G</i> / respectively/ on the price/
	SAT	223		
		225		now the quality is the same/
	PR	226	RM:	why is that so/ why is the <i>A</i> differential from the <i>G</i> /
	SAT	227	AM:	(a) it's the price difference/
	PR	229		(b) basically it comes down to how much we are selling at one time/
		231		and <i>A</i> is mass/ we're talking maybe ten thousand/
		233		per month/
	SAT	234	RM:	yes/ [okay/
	PR	235	AM:	but we wouldn't be able to do a ten thousand because of our other commitments/
		237		at the pre]sent moment/ we will be able to manage a thousand/ we may be able to manage two thousand of] each product/
		239		anything more than that would be very very difficult/ especially without being disrespectful/ on a new client we haven't dealt with/
	(SAT)	241		
	PR	242	RM:	(a) right/ (b) this means that if we want three thousand you can't manage at all/ or five/
	SAT	243	AM:	no we wouldn't be able to manage it in this short a time period/

Although the jointly developed issue of pricing structure, and the related issues of customer profile and product turnover, are central in the initial development of the opening proposals, they are not re-introduced in this second *bargaining* Transaction. Instead, during the Pre-responding exchange, the issue of quantity is introduced by AM in 296 and this is the issue that has the greatest influence in this *bargaining* Transaction.

Along with the quantity issue, two other new issues are introduced: production (248, 251, 256-282, 285-301), and company practice (284, 311-325).

Although the production and company practice issues are discussed fairly extensively, they do not move the proposals forward. (However, they do play a significant role in maintaining AM's position as far as his price proposals are concerned.) It is the quantity issue that is able to elicit movement as illustrated in extract 50 in RM's Contra in 326b-328.

[50]	CON	328	RM: (b) suppose we were to take <i>D</i> / (a) and you review your price structure in between <i>A</i> to <i>D</i> for us/ and we guarantee after twelve months a minimum quantity of ten thousand cases a month/ (b) would that help/
	PR PR SAT	329	AM: you're guaranteeing/
		330	RM: we guarantee/ whether we are selling enough we'll take ten thousand cartons/ of each product/ after twelve months/
	PR SAT PR	331	AM: so we're now looking at a twelve month contract/
		332	RM: (a) right/ (b) now here we're giving you a guarantee of taking ten thousand tons/
	Ø		
	SAT	333	AM: (a) feasible/
	CON		
		335	RM: (b) but not all at that price structure/ we could do it on the tomato sauce/
		336	RM: all right/ great/
		337	AM: we'd most probably be looking at <i>E</i> dollars on the cheese/
		339	RM: the salmon is the difficult one/ that one because we're importing it from Europe/ that one we'd have to negotiate with our suppliers/ which is a slight risk in our favour/ or a slight risk in our contract situation/ we'd most probably be looking at an <i>F</i> price/
	PR	340	RM: m-hmm/ and what price range for the tomato sauce/ the <i>A</i> level/
	SAT	341	AM: we'd be looking at <i>D</i> / <i>D E</i> and <i>F</i> respectively/

The extract above illustrates the only other occasion on which the quantity issue is raised and which elicits movement. Subsequent attempts to elicit movement are based on the interpersonal dimension which is examined in the next section.

The interactional procedures examined in 1BS demonstrate a combination of British-British and Singaporean-Singaporean characteristics. The negotiators initially appear to

adopt procedures that are more similar to the British-British negotiations as seen in the joint development of issues in the *review* Transactions. However, there is also evidence of Singaporean-Singaporean procedures, especially in the second *bargaining* Transaction in which issues are raised following the as-and-when-needed approach, without prior joint development, and used as *rationales*. There is also an indication of the lack of synchrony in the interactional procedures apparent in the evasive manner RM responds to the price proposals in the first *bargaining* Transaction.

2BS, like 1BS, also has a Transaction structure that is more similar to the British-British negotiations but with a more limited range of issues. Several issues are discussed during the short *review* Transaction such as the type of relationship to be developed (1-11, 36-47), the relative importance of profit versus relationship (15-31, 62-68), and the relative significance of quality versus price (32-46). However, none of these are developed as substantive issues and employed in the *bargaining* Transactions as *rationales*.

Two issues that are developed, and subsequently employed in the *bargaining* Transactions, are contract length and payment. The issue of contract length occurs in both *contract review* Transactions (see Table 12). The first mention of the issue in the first *contract review* Transaction is illustrated below. BH, the British seller, introduces the issue in 61 with a Proffer querying the type of contract DL, the Singaporean buyer, has in mind. DL provides a Satisfy to this query in 62a, retains his turn and, with a Proffer in 62b, introduces a new issue on profit margins.

[51]	PR	61	BH:	: but when you're buying when you're purchasing from your existing suppliers/ do you tend to go for a long term situation where you're buying say for three months six months/ a year's contract/ or do you do you buy just a spot business as and when you want it/
	SAT	62	DL:	(a) so far it has been on the spot sort of decision as far as the suppliers is concerned/ this is because we are not been satisfied with their quality/ (b) but the profit margin for them has been very good/ you know/ our suppliers give us very good price/
	PR			

BH re-introduces the issue of contract length during the second *contract review* Transaction, which follows a *bargaining* Transaction (68-107). Extract 52 illustrates the closing section of the *bargaining* Transaction with BH presenting a counter-proposal (in

107a). The Transaction ends with no outcome as BH initiates a new *contract review* Transaction in 107b. In retaining his turn, he Proffers new issues on product supply in 107b and product turnover in 107c. Then in 109, he again attempts to elicit DL's position on the issue of contract length. DL's Satisfy in 110 indicates an agreement in principle to a long-term relationship. However, when BH Proffers more definite details in 113, DL responds by initiating a Pre-responding exchange (114-115). BH Satisfies DL's Proffer and retains the turn Proffering a new issue on payment.

[52]	CON	107	BH:	(a) we could move to on chilli sauce which I would guess probably gives you the greatest profit anyway/ we could move downwards on that we could move to price <i>F</i> / on that/ and move to price <i>E</i> I think probably on tea/ although I'd want to maintain <i>F</i> on the sardines/
	Ø			
	PR			(b) sardines're getting very very difficult to come by they/ really are/ and the price of olive oil is absolutely dreadful/ and you know the amount of profit we make on sardines is minimal/
	Ø			
	PR			(c) you find these all good selling lines though do you/ in your particular supermarkets/
	SAT	108	DL:	well they're all very fast moving products in our supermarket/ that's why we're looking for a better supplier than the one we have now/
	PR	109	BH:	well you know I just like to emphasize the quality aspect of what we're doing here/ and really are we talking of just a you're still going for your spot purchasing are you/ just a one off situation/
	SAT	110	DL:	we can work out the the terms for the long run if your products are able to sell in our supermarkets of course
	PR	112		we will be looking at repeat orders/ you know/
	PR	113	BH:	well you know it would interest me much more to talk of a three or preferably a six months contract/
	SAT	114	DL:	six months contract uh/
	Ø	115	BH:	(a) mm/
	PR			(b) you know at the moment how you buying on credit/ or do you pay up front/ o:r against letter of credit or how do you how do you purchase/
		117		

The above extracts illustrate the limited development of the contract length issue resulting from the lack of uptake on the part of DL. However, although the issue is not mentioned again, it is clear that it has been implicitly accepted as can be seen in the final agreement in 223.

BH's Proffer of a new issue on payment terms in 115 elicits more of a response. In his Satisfy in 118, DL links the issue of payment with product turnover, indirectly establishing the period of credit he considers to be necessary. BH's subsequent Proffer (in 119-127) remarks that DL's turnover period corresponds to the purchasing cycle and then returns to the payment issue in 129.

[53]	PR	115	BH:	(b) you know at the moment how you buying on credit/ or do you pay up front/ o:r against letter of credit or how do you
		117		how do you purchase/
	SAT	118	DL:	normally it would take about three months for us to sell off all the one thousand cases for each product/ so
	PR	119	BH:	so with a shipping time of six weeks/ that rather fits in nicely that you'd have to order after six weeks doesn't it/ that's a six week cycle of purchasing/
	Ø			
	PR	120	DL:	six weeks ér/ for you to: get the [stock right/
	SAT	121	BH:	shipping time
		123		from] the UK/
		125		is by container and shipping time is three weeks/
	PR	127		and really to manufacture and ship in that time/ and to prepare for shipment and stuffing the containers and so on would take that amount of time/
	(SAT)	128	DL:	mm/
	PR	129	BH:	but you know do you normally pay up front/ or do you normally pay on credit terms [or
	Ø			
	PR	130	DL:	I can] consider paying up front if we're talking about price B you see/

When BH's Proffer in 129 asks about the standard practice in DL's company concerning payment, the Exchange, and the Transaction, are terminated by DL's response. As can be seen in extract 54, DL's response in 130 initiates the second *bargaining* Transaction by linking the payment issue with a price proposal. As with the contract length issue, there is little joint development of the issue.

The opening section of this *bargaining* Transaction, initiated by DL's Proffer in 130, is illustrated below. After the initial Moves, DL explicitly proposes a ninety day credit term in his Counter in 134, unsupported by a rationale. BH responds to DL's proposal with a long Move which begins with a Contra in 137 and continues in 143 with a Counter.

[54]	PR	130	DL:	I can consider paying up front if we're talking about price B you see/
	CTR	131	BH:	yah well I'd hoped we'd moved away from we've moved off our

CTR	132	DL:	yah but I don't want you to lose your job that's why I'm thinking very hard how I can you know/ [keep your job/(laughs)
CON	133	BH:	well you could you could] you could keep my job by giving me price <i>F</i> and (laughs)
CTR	134	DL:	so credit terms you know/ actually about three months húh/ should be OK lah húh/
PR	135	BH:	ninety days/
SAT	136	DL:	húh/
CON	137	BH:	well you know/ interest rates in the UK are running on interbank rate at about twelve percent/ and although we're an excellent company in good credit ratings/ we're paying about fifteen percent/ so that's over one percent per month so you're talking of a reduction of three percent in the price that we give you/ and if we do that on price <i>B</i> for instance which we're still on/ that would mean that we're into a loss situation/
PR	140	DL:	that cannot be/
Ø	141	BH:	board or no board that's impossible/ [(laughs)
PR	142	DL:	(laughs)]
(SAT)	143	BH:	so I really must ask you to consider moving your price upwards/ you know we've moved our own down/ we're talking of ninety days credit/ which as I say is probably something of the order of three to four percent reduction in price because money is not cheap/ and somebody has to pay/ we're both business people/ we know some one has to pay for money/ and we certainly just don't want the banks to make all the money but ninety days we could probably manage but it does mean a reduction in our return/
CTR	145		of something in the order of four percent I would have thought/
PR	146	DL:	would chilli sauce under price <i>C</i> / be OK with you/
SAT	147	BH:	(a) well it's moving in the right direction I'd say that/ but it's still a long way from <i>F</i> /
CON			(b) I suppose in extremis I could come down to price <i>E</i> / but my goodness we'll really be suffering at that that price/and really you know I wouldn't want to do any sort of long term contract on price <i>E</i> /

BH's long Contra is largely due to the *rationales* he presents in order to support his proposals. It should also be noted that these proposals are the only movement that is elicited in this negotiation based on the development of a substantive issue, restricted though it is. At the same time, the influence of the interpersonal dimension also needs to be recognised. This will be discussed in greater detail in section 4.3.2.

This negotiation also displays characteristics from both the intracultural negotiations. Like the British-British negotiations, there are more extensive *review* Transactions. In the

case of 2BS however, the *review* Transactions reveal only one instance of the development of a substantive issue that is employed in the *bargaining* Transaction. There also appears a preference of the Singaporean buyer to negotiate within the framework of the *bargaining* Transactions (in addition to initiating the second *bargaining* Transaction as illustrated in extract 54, he also initiates the first *bargaining* Transaction beginning in 68). At the same time, the British seller's initiation of the second *contract review* Transaction seems to indicate his preference for a more thorough positioning before the proposals are opened.

The last negotiation in this category, 3BS, is most similar to the British-British negotiations in terms of the interactional procedures employed. There are two issues, relationship and pricing, that are consistently developed in the *review* Transactions and employed in the *bargaining* Transaction as *rationales* to elicit movement. The pricing issue is used almost exclusively with regard to the sardine product, a pivotal concern in the *bargaining* Transaction.

The extract below exemplifies the manner in which the pricing issue for sardines is developed. It opens in 148 with AL, the Singaporean buyer's Satisfy of BB, the British buyer's Proffer (139-147) about the packaging of the sardines. After his Satisfy, AL retains his turn and introduces the pricing issue in 150. Between 150-154, AL further develops his position on the need for competitive pricing. He elaborates his position in 158-162, using the issue of customer preference for a particular brand as an example of the competition BB's brand faces. BB acknowledges AL's position with a Satisfy in 163a before presenting his own position on the pricing issue in his Proffer in 163b. AL responds to this with a non-Satisfy in 174.

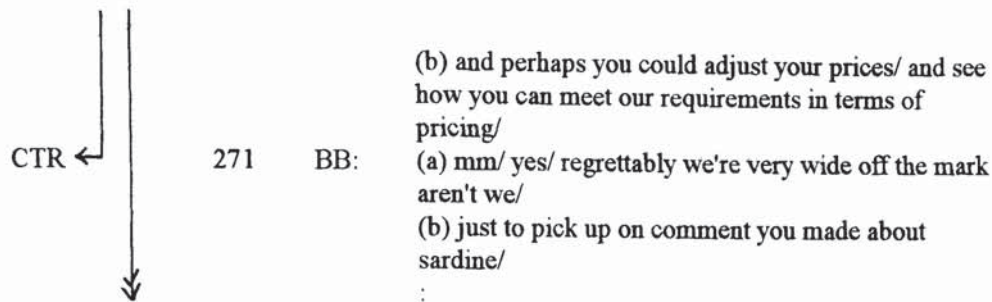
[55]	SAT	148	AL:	if I may add the sardines/ packaging/ I have in fact suppliers who has already adopted this/ form of packaging/
	PR	150		and it seems that you can stock more/ but nevertheless the sardine is still a low price item/=
		152		and it's also very competitive/
	(SAT)	153	BB:	[ye:s/
	PR	154	AL:	in fact] in our stores/ there are a wide varieties of brand/ and in order to sell/ in order add in this new product we got to consider again the price/
	(SAT)	155	BB:	m-hmm/

		156	AL:	since this is a new product/ there're certain: amount of risk/
		158		(a) in term of shelf space/ (b) the sardines from my experience and feedback that we have/ consumers are pretty brand loyal/
PR				
(SAT)		159	BB:	m-hmm/
PR		160	AL:	so in particular there's already in our stores one brand name is I do not know if you're familiar it's Ayam brand/
		162	AL:	(a) =which the local Chinese patronising/ (b) and it seems that this brand is doing well/ and not the rest/ so: I am concerned whether if we were to buy this new brand/ whether it will really can sell/
SAT				
PR		163	BB:	(a) yes/ obviously it's a very important issue/ (b) one thing I would say/ the brand that you're currently stocking/ costs sixty-three cents/
(SAT)		164	AL:	m-hmm/
PR		165	BB:	now I recognise that that's for six ounces/
(SAT)		166	AL:	m-hmm/
PR		167	BB:	our tin contains five point five ounces/
(SAT)		168	AL:	m-hmm/
PR		169	BB:	but I've taken the liberty of pricing this tin/ at sixty cents/
		171		=because I believe that the selling price that I hope to be able to gain your acceptance/
		173		there to] will offer you the same profit/ compared to your current suppliers/ with this tin of sardines/
(SAT)		174	AL:	m-hmm/

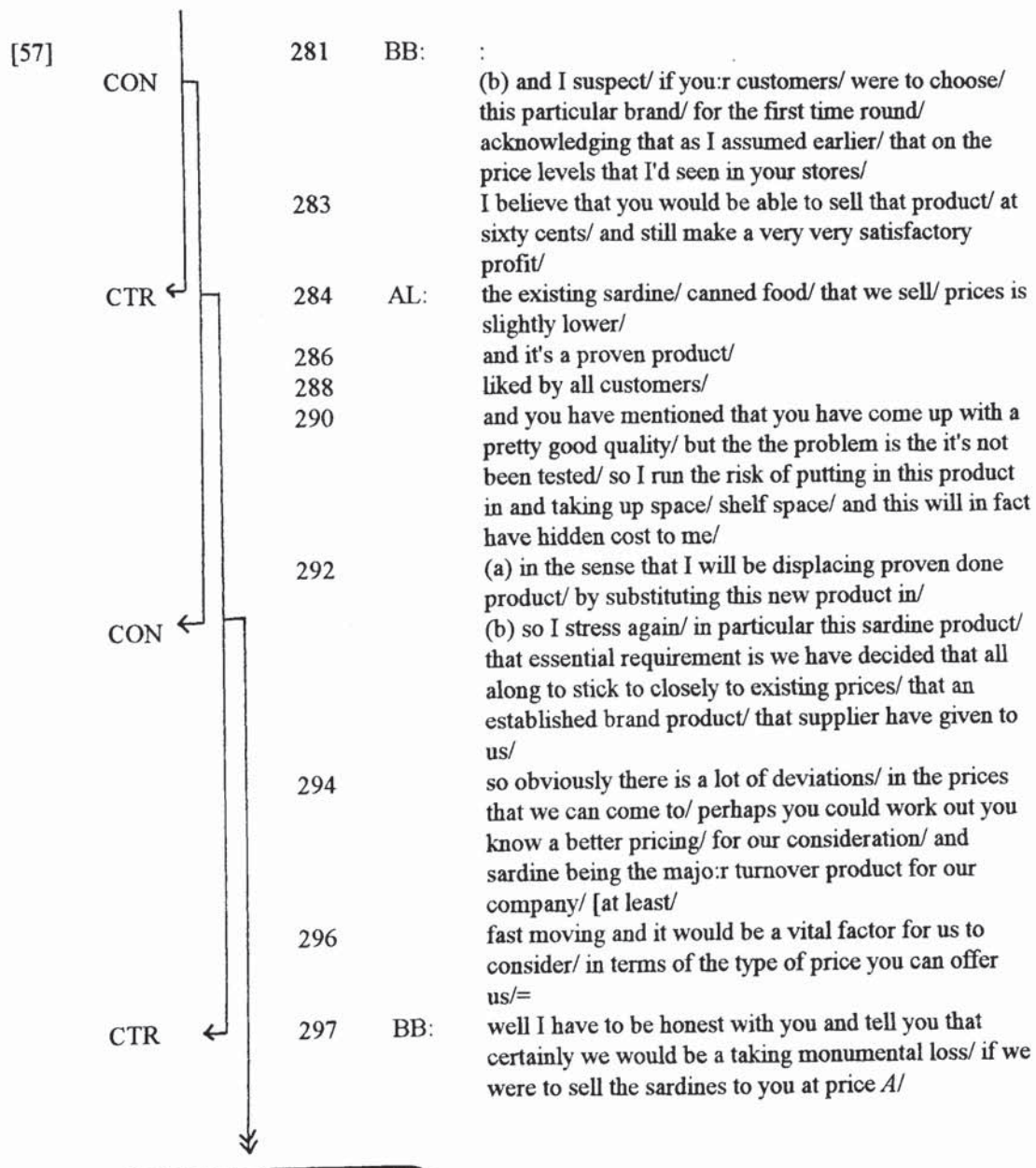
AL's Proffer in 150/152 establishes his positioning of the sardine product as a competitive low-priced item. BB is circumspect with regard to AL's position as can be seen in his Satisfy in 163a. BB's positioning on the pricing issue, presented in a series of Proffers beginning in 163b, is based on the criteria of shelf prices. The position he develops neither contradicts nor supports AL's positioning. Instead, it provides him with an alternative means of anchoring his positioning. The outcome of this Exchange is unclear though because of AL's back-channel device in 174.

The issue is re-introduced almost immediately in the opening stages of the *bargaining* Transaction. AL employs it as a *rationale* in his counter-proposal to BB's first price proposals that open the Transaction. This can be seen in turn 264 below in AL's Contra.

[56]	CON	264	AL:	:
		266		the: for sardines/ which I mention earlier is a very low price product/ and very price sensitive/ and being a new product we are thinking of pricing it at A/ so
		268		I see a mark difference in the prices that
		270		(a) you offer in comparison with our existing suppliers/



In addition to using the pricing issue, AL also employs the status issue (in 266) as *rationales*. BB's Counter in 271b deals with the status issue first before he returns to the pricing issue in 281b. This is illustrated in extract 57 below, where BB can be seen to make direct reference to the positioning he set up in the *review* Transaction. AL Contrasts BB's positioning in 284 and continues in 292 by reiterating the need for the sardine prices to be competitive. BB's Counter in 297 proposes the issue of promotions as a means of helping sardine sales.




AL's equivocal viewpoint of BB's positioning on the shelf prices illustrated in extract 55 is eventually made clear in his Contra in 284 above. At the same time as clarifying his stand on BB's positioning, he also reiterates his own positioning on the pricing issue in the rest of the Contra in 292b. However, he is unable to elicit any movement on BB's price proposals.

There are two other mentions of the pricing issue, both raised by AL as he presents Contras. The first of these mentions illustrates the issue employed as part of a Contra to elicit movement from BB. This can be seen in 318 where AL Contra's BB's pricing proposals. (The "practice" that is referred to is BB's price proposals for a "no-frill" packages.)

[58]	CON	←	318	AL:	and if such is the practice/ then I afraid the price is not competitive enough for us to to work on/
			320		so may be you could make adjustment to your price and see how we can work out a better price/
			322	I:	quite agree that yours is a reputable food manu[facturer/
			324	agent/ so by your name we could sell/ but on our part we concern with the cost of purchase from you/	
			326	(a) so: if we would be able to if you work a better price then we can talk about the other two products/	
	CTR	←		(b) if sardines we are unable to come to agreement then it and also bearing in mind that the other prices also differs/ it's hard for me to even convince the top management that	
			328	we: should engage in such a arrangement to confirm you as our future supplier/	

The second mention of the issue can be seen below. The issue is employed as a Contra in a Pre-responding exchange in 458a, which supports AL's Contra beginning in 458b. AL's Contra in 458b is part of a pricing proposal he presents to BB between turns 464-468.

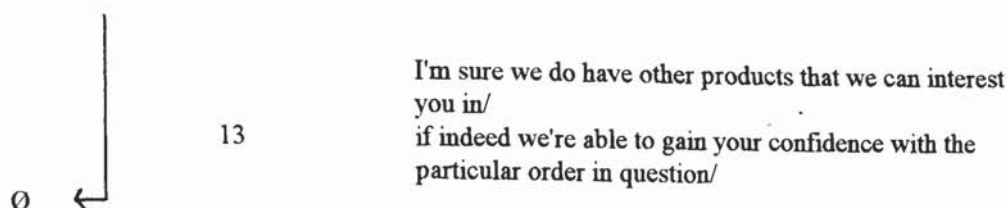
[59]	PR	←	455	BB:	(b) that regrettably is something I couldn't entertain/ even though we are anxious/
			457		to enter into this long term relationship/
	CON	←	458	AL:	(a) but it will be short term/ short term because if you are introducing a product/ price that you sell/ and subsequent price that we offer the market/ must be competitive/ I think I do not know about your cost/ but from our calculation/ labour cost/ and other cost are going up/ and it's very competitive/
	Ø	←			

CON			(b) what I can offer as a compromise/ if we were to take a drastic measure/ to allow for a higher price purchase of sardine from you/ then likewise/ you can offer us/ in return a lower a lower price for the other two product/
460			then we may be able to successfully come to a agreement/ to to buy all the three products/
462			because my concern is although you can sell me at a higher price for tea bag and chilli sauce/ and I can mark up/ on the price/ the fact remains that customer may not even buy/ and if that's the case/ it's not worth the while/ and other factors include that there are already in the stores/ many product/ that are selling at a reasonable margin/ acceptable to us/ and this being two new brand/ and we have a cost figure that this does not meet/
464			our usual margin/

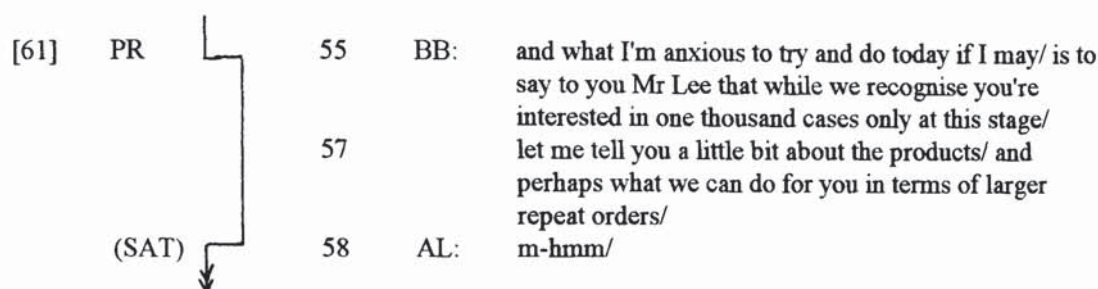
The two Moves described in the above extracts in which the pricing issue is mentioned appear to be more successful in eliciting movement. In the case of extract 58, BB responds with a counter-proposal with a significant movement in the pricing of the sardine product from *G* to *B* (331-345). In extract 59, AL's Contra offers a proposal, involving a reduction in the contract size (to BB's disadvantage), which BB accepts in his proposal (483-491). However, it is arguable that the apparent success of AL's Moves is due to the mentions of the pricing issue. Instead, it is interesting to note that both Moves also employ the issue of relationship. In extract 58, the relationship issue is employed in a separate Move in 326b as a Counter, and in extract 59, it is used with the pricing issue in 458a.

The relationship issue is in fact discussed twice in the *review* Transactions. The positioning on the issue is quickly set up the first time it is discussed in the opening Moves of the negotiation in the *background review* Transaction. The issue is introduced by AL in 8b and is enthusiastically endorsed by BB in his Satisfy in 9a and subsequent Proffer in 9b.

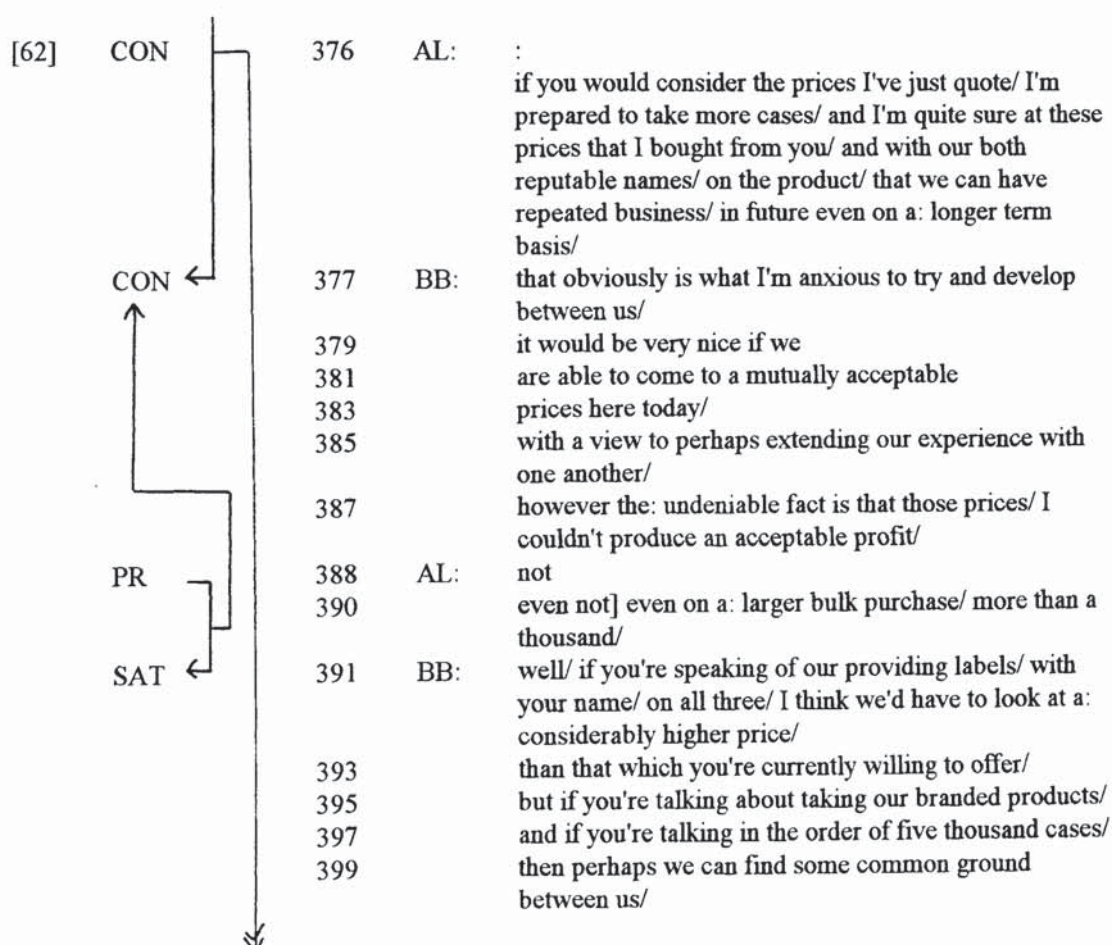
[60]	PR	8	AL:	: (b) in fact we are not just considering three items if it can get negotiate a good deal/ we may even look further into other products as well/
	SAT PR	9	BB:	(a) excellent/ (b) that's what we like to hear/ because in fact we cover a hundred and twenty-nine different products/ within our company/ and whilst all of them are not of particular interest perhaps to the Singaporean market/
		11		



The issue is re-introduced again at the close of the *background review* as BB initiates the *product review* Transaction in 55. As he does so, he reiterates his position on the relationship issue.



In addition to the occasions already described in extracts 58 and 59, the issue is also employed, in one other instance, as a *rationale* in the *bargaining* Transaction. This is described in the extract below. It opens with the closing segment of AL's Contra



3BS can be seen to be most similar to the British-British negotiations in the way the interactional procedures are employed. Issues are identified, attempts are made to develop them into joint bargaining arenas in the *review* Transactions, and these issues are subsequently employed as *rationales* in the *bargaining* Transactions. At the same time however, AL tends to utilise the pricing issue in a manner reminiscent of the Singaporean procedures identified in the previous section. This can be seen in AL's repeated use of the issue despite the fact that no clear positioning was established.

To conclude this section, the interactional procedures characterising each of the intracultural and intercultural negotiations will be summarised.

- The British-British negotiators' development of the substantive issues appear to be instrumental in the achievement of the final settlement point. This is achieved through the joint development of bargaining arenas in the *review* Transactions, using mostly a *chained* structure which tend to be less contentious. Where a bargaining arena is insufficiently developed, the issues tend to be "isolated" in subordinate structures for discussion. Subordinate structures, such as Pre-responding exchanges, tend to be strategically employed to elicit movement.
- The development of the substantive issues in the Singaporean-Singaporean negotiations has less influence on the settlement point. Although issues are employed as *rationales*, it tends to be done on an as-and-when-needed basis. In other words, there is little prior joint development of a shared position on issues. Rather, issues are simultaneously introduced and employed as *rationales* when necessary. Development of issues, often on an individual basis, occurs when a *rationale* is challenged. These procedures are demonstrated in the complex Exchange structures in the *bargaining* Transaction which are characterised by long multi-head Moves, interspersed with subordinate Exchanges mostly used to clarify positions. The substantive issues in the Singaporean-Singaporean negotiations are not as influential as they are in the British-British negotiations.

- The more varied nature of the British-Singaporean negotiations can be seen in the varying degrees to which the substantive issues have an influence on the respective settlement points. In 3BS, the interaction whose procedures are most similar to the British-British negotiations, issues jointly developed in the *review* Transactions have the most influence on the final settlement as compared to the other negotiations in the category. In 1BS, the level of asynchrony is evident in the interactional procedures and in the large number of zero and non-Satisfies. In 3BS, the asynchrony was apparent in the Singaporean buyer's preference for a *bargaining* Transaction framework and the British seller's preference for a *review* Transaction to develop issues.

4.3.2 PROCEDURES FOR DEVELOPING THE INTERPERSONAL DIMENSION

In addition to considering how the substantive issues move the negotiation towards settlement point, there is the additional dimension of the interpersonal relationship between the negotiators. This is realised in the issue of interpersonal solidarity, the degree to which the negotiators establish feelings of cooperation and friendship at a personal level. This section analyses how the issue is developed, the degree to which it is able to elicit movement and influence outcome. There are clear differences in the way the interpersonal dimension is realised in the various intracultural and intercultural negotiations. They also differ at the point where the issue is introduced in the negotiation and the influence the issue has on the outcome of the negotiation.

4.3.2.1 *The British-British Negotiations*

The interpersonal relationship between the negotiators in the British-British negotiations is developed explicitly in the negotiation. Solidarity is established through the telling of jokes and anecdotes which are introduced early on in the negotiation. In the case of 1BB, there are two occasions in which AM the seller takes the opportunity to introduce a joke into the negotiation. The first occasion is illustrated in extract 63. AM Proffers his joke in 96/98. This takes place during the *contract review* Transaction as the negotiators move from the issue of product supply to payment.

[63]	PR	92	AM:	we use to source from South Africa/ but because of the problems there
	SAT	93	LB:	right
	PR	94		decided against it/
	{SAT}	95	LB:	yes I suppose that it would affect your Malaysian capabilities/
	PR	96	AM:	my Malaysian capabilities went through the floor/
	SAT	97	LB:	(laughs)
		98	AM:	and pretty tough negotiation/
	PR	100		trying to get back in there/
	SAT			(AM offers LB cigarette)
	PR	101	LB:	(a) thank you very much/
	Ø			(b) terrible habit/
				(light cigarettes)
	PR			(c) well the sort of credit that would compete with our existing suppliers/ would be thirty to sixty days

The second occasion occurs later towards the end of the *contract review*. Again it is AM who introduces his joke as a Satisfy-Proffer set of Moves in 120a-120b about transport costs. This is shown in extract 64.

[64]	PR	116	AM:	would you want the: contracts to be at store or delivered to your door to you:r [warehouse/
	SAT	117	LB:	(a) delivered/]
	PR			(b) we have one central warehouse/ and we have our own internal distribution so it's just a question of delivering it to our refrigerated warehouses or warehouse/
	(SAT)	118	AM:	(a) right/
	PR			(b) and that's Sembawang/ isn't it/
	SAT	119	LB:	(a) that's correct yes/
	PR			(b) it's such a small place Singapore/ transport isn't really much of a problem/
	SAT	120	AM:	(a) a::h transport's not a problem/
	PR			(b) the costs are/
	(SAT)	121	LB:	(laughs)
		122	AM:	as always/

A similar realisation of the interpersonal dimension can be observed in 2BB. For example in extract 65, KB pokes fun at the "local" preference for vivid colourings in 47 as part of his query about sauce colouring. This Exchange occurs in the first *product review* Transaction.

[65]		45	KB:	:
	PR	46	BH:	and the other thing is in terms of the colouring/
	(SAT)	47	KB:	yah/ [yah/
	PR			the] sort of vivid greens and vivid reds and everything else seem to be very popular in the local
		48	BH:	(laughs)

- SAT ← 49 KB: (laughs) the local brands/ I mean presumably you can
 either add or not as the case may be/=
- 50 BH: =yah it's a matter of really establishing some samples
 to you I would guess/

KB takes a second dig at Singaporean predilections later in the second *background review* as part of the discussion on the issue company performance. This can be seen in extract 66 in the Pre-responding exchange between 131-134.

- [66]
- PR 130 BH: :
 and do you see that developing into a larger sales/ do
 you think people are going to have more to sell with or
 will they eat out more and therefore you know/
- PR 131 KB: well I think the answer is of course the Singaporean
 incessantly eats out all the time anyway/
- SAT 132 BH: [(laughs) yes/
 PR 133 KB: in fact I wonder some]times whether they've got any
 kitchens at home/
- SAT 134 BH: well [should go (laughs)
- SAT 135 KB: but (laughs)] but of course yes/ for sure we see it I
 mean if you look at the per capita income here now it's
 going it's been going up very substantially/

The final example from 2BB is illustrated in extract 67. This Exchange is part of the second *product review* Transaction where the negotiators are discussing the quality of the orange juice product. The extract opens in 210 with the end of a long Move by BH in which he highlights the quality his product. KB begins to respond to BH's Satisfy in 211 when he Proffers an anecdote about the sausage business in New Zealand.

- [67]
- SAT 210 BH: :
 but ours you'll certainly know what you're drinking [so
 there's no problem
- PR 211 KB: I I it's important]
 I just as a digression I can remember the sausage
 business in New Zealand/ and because it's a sheep
 country or a lamb or a mutton country/ didn't matter
 whether you had beef pork or
- 212 BH: (laughs)
- 213 KB: or lamb sausages they were all lamb/
- SAT 214 BH: (laughs) they were all lamb/
 PR 215 KB: with an essence of beef or an essence of whatever it is
 in it/
- SAT 216 BH: [yeah/
- PR 217 KB: so] OK so you reckon you can actually tell what your[s
 is/

There are fewer instances of similar interpersonal procedures in 3BB. There is one occasion illustrated in extract 68. This occurs in second *product review* Transaction as BB, the seller, is introducing the packaging on his sauce product. As he does so, he Proffers a comment in 201b about the contents of the bottle he has brought as a sample.

[68]	PR	201	BB:	(a) so what we've made sure is that our tomato sauce looks like tomato sauce/ again if I could just (takes out products) give the
	PR			(b) I have three hungry children who have left me the remnants in that bottle/ of some tomato [sauce/
	SAT	202	RP:	they] certainly seem to enjoy it/
	PR	203 205	BB:	but that is the dark red colour I was des]cribing to you/ and again the style of the bottle with minimum labelling/ does enable the consumer/ to see straight away/ the quality and consistency of the sauce contained therein/

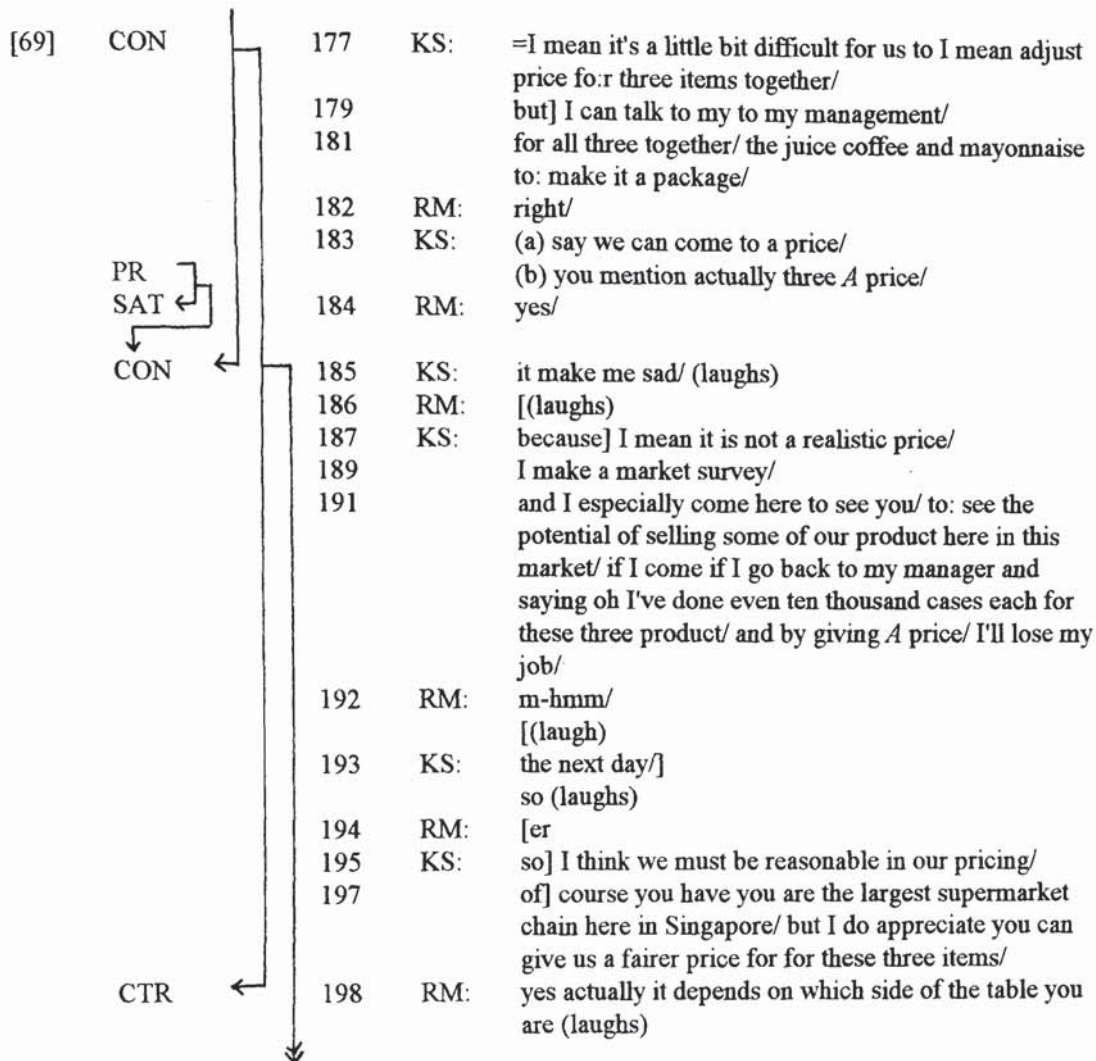
All the occasions in which the interpersonal dimension emerges in the negotiations occur in the *review* Transactions and are realised by a Proffer-Satisfy Exchange structure. Although they do not have a direct influence on the settlement point of the negotiation, they serve to establish a positive overtone in the negotiation.

4.3.2.2 The Singaporean-Singaporean Negotiations

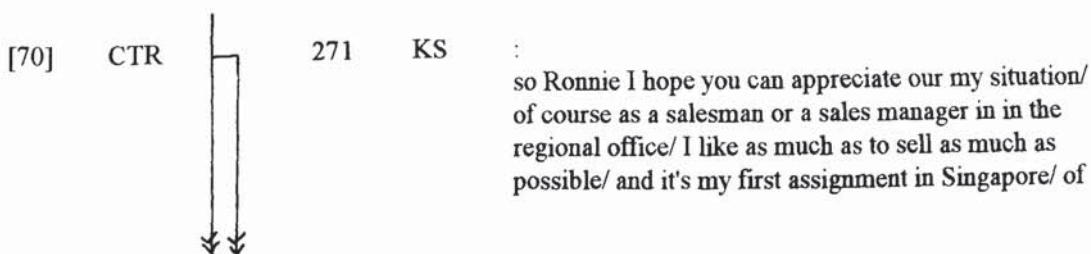
The interpersonal dimension in the Singaporean-Singaporean negotiations is realised very differently in the interactional procedures. Although the issue is realised differently from negotiation to negotiation within the category, it is clear that it plays a significant role in the interactions. A further similarity can be found in the explicit way the issue tends to be realised.

There are several instances of an interpersonal element being introduced into the negotiation in 1SS, and they are employed in an increasingly negative way as the negotiation proceeds. The issue is first employed as part of the second *bargaining* sequence. This is illustrated in extract 69 which begins with KS, the seller, Contraining RM's proposals on price and quantity presented in 133. KS's Contra in 177 begins with a *rationale* based on the issue of management practice, and in 183 appears to initiate a counter-proposal on price. However, after he interrupts himself with a Proffer to a Mid-

move Exchange in 183a, and his Contra reverts to presenting a further *rationale* in 185. This *rationale* attempts to establish solidarity through a personal appeal to RM to appreciate KS's situation. RM Counters KS's Move in 198 then directs KS back to presenting his proposals.



The next extract, 70, is part of another long Exchange which begins in 255 in the of the third *bargaining* sequence. KS begins his Move, a Counter, with a *rationale* based on the issue of customer preference (263), then presents a proposal of an exclusive relationship (265) and concludes in 271, shown below, with another personal appeal that RM appreciate his personal circumstances. RM's response in 272 ignores the solidarity issue and appears to Counter KS's opening Move in 263.



CTR ← 272 RM: course I would like to make it successful/ my first trip here/ so: but we I'm limited/ my hands are tied/ of the pricing that I can adjust/ I'm offering you the the best which I can/=

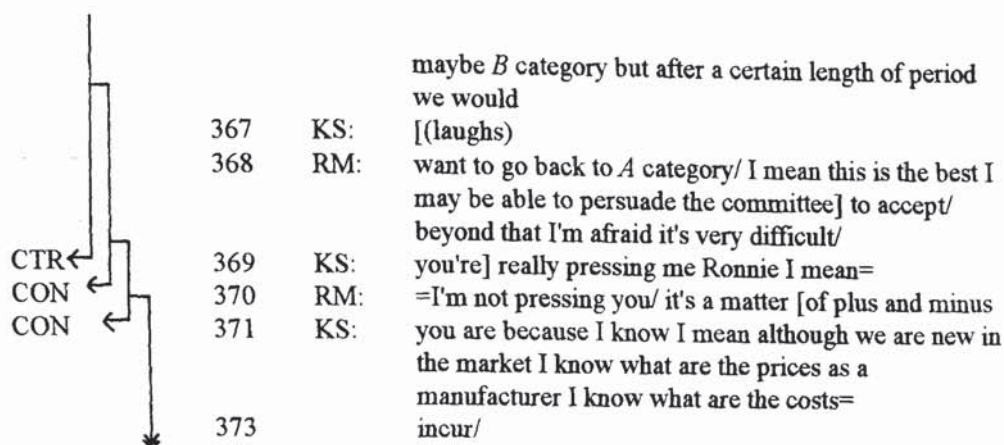
=m-hmm mm right yes we know about all this supermarket the tactics strategies of supermarket selling as you are aware we have twenty-four supermarkets and selling all kind of products we know about the difficulties/

KS introduces the solidarity element later in the same *bargaining* sequence. Like its use in the Move illustrated above, it is presented at the conclusion of an extremely long Counter. In it KS presents *rationales* based on the issues of pricing (303, 317), relationship (313), status (327) and delivery (331) before proposing a fixed price contract (337). After presenting his proposal, KS attempts to build solidarity with RM through his expression of sincerity in 341a. RM's response in 342 Contrasts KS's *rationale* on relationship.

[71] CTR 341 :
 (a) that's why I'm very sincere to come to you/ to market our product/
 (b) and I can't really accept your prices which I know it is not a realistic price for me to: I mean it doesn't even make a manufacturing point of view to to make a margin out of that/
 342 RM: right/ just to push a point/ we buy only direct from manufacturers we do not buy from agent/

In this next extract, KS introduces the interpersonal element twice; first in 365 Countering RM's reiteration of his proposal in 364, and in 369 in response to RM's modified proposal in 366. In both instances, the solidarity issues is negatively employed to express irritation. Up to this point, RM has not responded to KS's *rationales* based on the interpersonal aspect of their relationship choosing instead to respond to other issues that KS introduces as *rationales*. In the following extract, however, RM Contrasts KS's complaint of RM's pressure tactics.

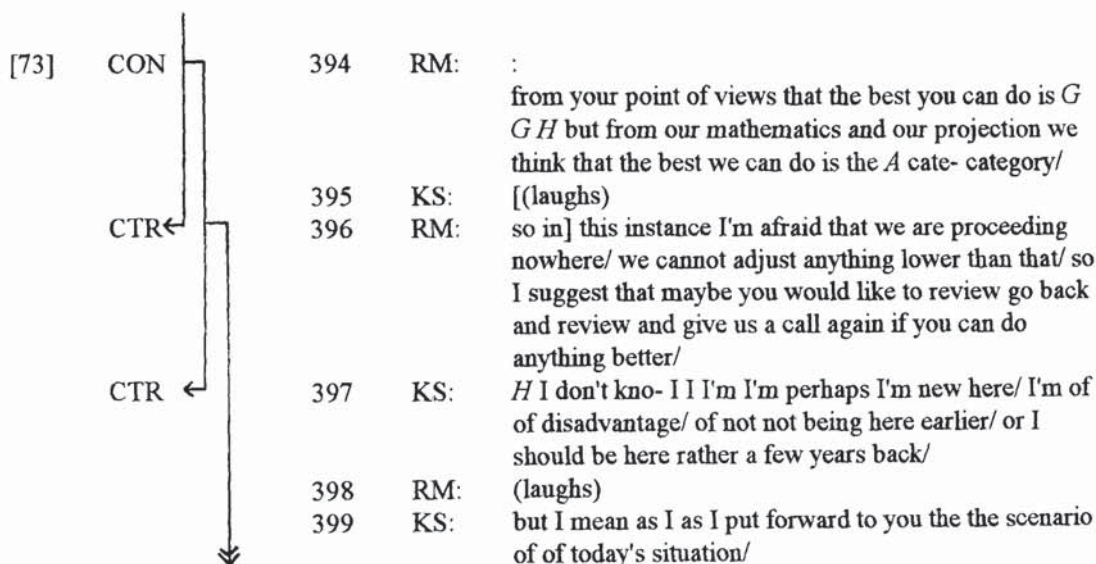
[72] CON 364 RM: :
 and we have done our costing and pricing on advertising and outlay and all that/ to work at G anything below A is very difficult already/
 CTR ← 365 KS: [Ronnie that is I mean A A I mean you keep on telling me A
 CTR ← 366 RM: perhaps can just no no just just let me] finish/ perhaps maybe if A is difficult we would be willing to consider



The issue is raised by KS a few turns later in the Move begun in 371 when KS attempts to establish positive solidarity with another expression of his sincerity of motive (387).

When RM is able to take up his turn in 394, he responds with a Contra to the issue of supply which KS employs in 383, and reiterates his proposal in 394 (see extract 73).

RM's Counter in 396 to terminate the negotiation undermines the negotiators' interpersonal relationship in its bid to break off contact. KS Counters the Move with the issue of supply in 401, but in Uptaking the turn in 397 retains the solidarity issue with a comment about his disadvantaged position.



Further lack of solidarity is expressed in an impatient exchange just a few Moves later in 404 when RM Counters KS's *rationale* on the supply issue with an attempt to terminate KS's Move. KS's Uptake in 407a acknowledges RM's Move but he simply continues with his Counter in 407b. The lack of solidarity is reinforced in 409b when KS accuses RM of not giving him a fair chance. This is taken up in 422 by RM in his Counter of KS's Move before he concludes with a new proposal in 424.

[74]	CTR	404	RM:	er] we are aware of all that=
		405	KS:	=yes
		406	RM:	[er yes/ yes/
	CTR ←	407	KS:	(a) I know you are aware this
				(b) but] as of of a local supply you see I mean
				Singapore basically all this er do not produce any of
				this raw material here/ so we source material world-
				wide/ and our cost of manufacturing is in the Far East/
		408	RM:	right/
		409	KS:	(a) and it is of I know it is of a very reasonable level/
				(b) and you have not Ronnie you have not given me a
				chance at all/ I mean basically I make I mean all my
				effort here/ I mean you giving me like A prices and
				you're not giving me a chance/
		411		to] this market/ and I've been very sincere to you/ that's
				why I send you the catalogue/ for you to: have a a view
				of this cata[logue/
		412	RM:	OK] erm=
		413	KS:	=and I am [perhaps
		414	RM:	right er]
	CTR ←	415	KS:	I mean you are placing an order from me [of course
				:
		420	RM:	=as I said we have done our survey and calculation
				from a P and L er outlook we'll not be making money/
				in fact we'll be losing if we take anything an A/ but
		421	KS:	[(laughing)
		422	RM:	to say that we're not giving you a chance/]
		423	KS:	[no you're in (laughing)
		424	RM:	all right erm] no no no let me finish please/ perhaps
				maybe we'll consider taking B for the juice/ all right/
				we won't press you for that A/ but we would still
				maintain A for mayonnaise and coffee/ beyond that I
				think it's very difficult

The issue of interpersonal solidarity in 1SS is increasingly used as the negotiation proceeds. It is not employed at all in the first *bargaining* sequence but occurs more frequently as the negotiation proceeds. Furthermore, although there is no settlement in this negotiation, the final extract illustrates that the issue can have an influence in eliciting movement. At the same time, the substantive issues can be observed to have only a limited influence in the frequent use of Counters (and as established in section 4.3.1.2).

The solidarity issue as realised in 2SS is generally more positive than observed in 1SS. This can be seen particularly in the first two occasions when the issue is raised occurs. It occurs once in the *background review* and the once in the *product review*, as seen in extract 75 and 76 respectively. Extract 75 establishes for DL, the buyer, PS's basic approach or philosophy of doing business which could be glossed as "you scratch my back and I'll scratch yours".

- [75] PR 19 PS: I su]ppose you're doing very [well/
 SAT 20 DL: a-ha/] yah/
 PR 21 PS: so I'm helping you to make more money/ okay/
 SAT 22 DL: okay/
 PR 23 PS: but you also have to help me lah/ háh/
 SAT 24 DL: [yah/
 25 PS: to] earn a little bit more/

The second instance is similar to the British-British realisation of the issue in that solidarity is established in sharing a joke with the reference to the "ang-mos"⁶ in 45.

- [76] PR 43 PS: :
 and as I've said all these different brands they are there
 are slight variations in the taste lah/ [okáy/
 (SAT) 44 DL: I see/]
 PR 45 PS: and they all depends on the consumers/ well if they are
 the ang-mos áh then
 46 DL: [(laughs)
 47 PS: they] might like different taste you see/ [(inaudible) es-
 SAT 48 DL: okay/ yah/]
 49 PS: especially you know it different taste/

There are also several instances when the solidarity issue is encoded in Singapore Colloquial English (SCE) usages such as "lah"⁷, illustrated in extract 77. DL's Proffer in 640 arises because PS's minimum order for tomato sauce is three thousand cases while DL wants only one thousand. Hence DL Proffers in 640 that PS deliver the remaining two thousand only when the first thousand has been completed. Subsequently the negotiators propose and counter-propose several issues: storage (646-647), insurance (652-665), and guarantee (666-672). Although several contract issues are proposed, there are no *rationales* presented in order to support their positions except for PS's Proffer in 643b. Instead there is extensive use of the SCE tags functioning as appealers such as "lah", "lah hah", "ah". These attempts at establishing solidarity could be said to have some influence on the first concrete agreement that the negotiators arrive at.

- [77] PR 640 DL: :
 =you order your three thousand/ keep it in your store/
 when I finish my one thousand you bring the other one
 lah/
 CTR 641 PS: okay lah/ but you must pa:y cash on delivery lah/

⁶ "Ang-mo", the shortened form of "ang-mo kui" (literally "red-haired devil" in the Hokkien dialect) is a slightly derogatory term used to refer to Caucasians.

⁷ According to Richards & Tay, the "lah" particle "is used in informal Singapore English as a code marker. It serves to mark that the speech act is one involving dimensions of informality, familiarity, solidarity, and rapport between the participants" (1977:155).

PR	642	DL:	cash on delivery àh
Ø			
PR	643	PS:	(a) is it all right
Ø			
PR			(b) what happen if at the end the day you pay one thousand and the other two thousand you say I don't need it then I will be in trouble I have to hold two thousand in my stock yard
Ø			
CTR	646	DL:	[give me storage one àh/
CON	647	PS:	the storage/ I give you] free of charge storage/ I'll keep the two thousand in my store/ but you pay for] three thousand/
	649		
PR	650	DL:	pay for three thousand/
SAT	651	PS:	yah/
PR			I think it's a fair deal àh/ [háh/
Ø			
CTR			
CON	652	DL:	got] got to buy insurance in case the:: [(inaudible)
	653	PS:	oh that one will be yours] you see/
	654	DL:	[(inaudible)
	655	PS:	well/] if you okay/ fine/ insurance is fine/ now if the if the prop- if if the remaining two thousand àh has not pass on to you/ fine/
	657		I'll] bear the insurance charges/ okay/
	659		but] if àh/ you want that thing àh/
	661		alright/]
	663		under your name/]
CTR	665		then] e:r you you pay for it lah/
CON	666	DL:	e:[r give you a guarantee one
	667	PS:	o]káy/ now title of goods
	668	DL:	[er/ that one no problem er/
CTR	669	PS:	will only pass when payment is] received lah/ [háh/
PR	670	DL:	that] one is no problem ah/
SAT	671	PS:	no problem àh/
PR	672	DL:	get a get give you a guarantee of something lah/ [háh/
SAT	673	PS:	a gua]rantee of three thousand/
	674	DL:	two thousand lah/ one thousand I will pay/ you know/ I will pay when I get it lah/ the other two thousand/ you cover the warehouse costs right/ and then e:r give you a guarantee of something lah/ you know that one no problem lah that one/ húh/
	675	PS:	[no problem/ so you give me a a:
PR	676	DL:	that's no problem yah/ all I need is the one thousand]
PR			
Ø			
PR	677	PS:	a guarantee/ a guarantee for for for three thousand lah/
SAT	678	DL:	[two thousand/ I'll pay one thousand lah/
	679	PS:	no you pay one thousand/ now/ then] the guarantee for two thousand lah/
(SAT)	680	DL:	m-hmm/
SAT	681	PS:	(a) okay fine/ the deal is [off/
PR			(b) the deal is off

The agreement arrived at in extract 77 has to be clarified subsequently in terms of the length of storage that PS is required to provide. After a relatively lengthy Exchange (691-723) in which PS insists on, while DL resists, a specific period of storage, DL

introduces his Counter in 724 using the solidarity issue. DL's Counter highlights the extent to which he has accommodated PS. PS appears to be on the verge of making some form of concession in 725b. However in 725c, PS's Counter insists on a specific period, employing as rationale, the solidarity issue in his recognition of DL's "expertise".

[78]	CTR	724	DL:	I'm trying to help you] with your problem yáh/ because you need a minimum quantity of three thousand/ actually I need only one thousand/ actually you should go and find another buyers yáh/
	PR	725	PS:	(a) so you're saying that for the remaining two thousand/ I must keep it in my stockyard/ indefinitely/
	Ø			(b) okáy/ if y- if I y-
	CTR			(c) cannot lah/ there must be a fixed period/ if you don't take delivery lah hah/
		727		then] I presume that I'm going to cash the bank guarantee and then I sell it off to someone else you see/ otherwise the thing you see we are talking about tomato sauce you know/ things are not cannot last indefinitely/ it will turn bad you see/
		729		you] are an expert áh/ in selling so you will know how long you can keep you stock right/

DL's use of the solidarity issue in 724 is repeated when PS continues to re-package his proposal (729-735) in an attempt to get DL to increase the size of the order. This is illustrated in extract 79 which opens with DL's Counter to PS's proposals. After DL's second Counter in 738b, PS concludes the Exchange with a Satisfy. DL's Proffer in 740 then initiates a long Post-exchange in which he consolidates his position. It is during this Post-exchange that DL repeats the solidarity issue in 746-748.

[79]	CTR	736	DL:	that is not important/
	PR	737	PS:	not important/
	SAT			o[kay/ alright/
	CTR	738	DL:	(a) you know/] because we can sell it/ you know/
				(b) it's a matter of whether you want to do business with us yah/
	SAT	739	PS:	yah of course no no no we wanted to do busi[ne:ss/ su:re/
	PR	740	DL:	yah/ so/] our need now is one thousand/
	PR	741	PS:	your need is now one thousand/
	(SAT)	742	DL:	[so: (inaudible) take it
	PR	743	PS:	right/ so you give me a bank guarantee for] two thousand/
	SAT	744	DL:	yah that's the best already/ you know/
	SAT	745	PS:	but then okay/ fine/ [I think this one is fine/
	PR	746	DL:	so the:: warehouse] problem everything else you:: [I'm helping you you know/
	SAT	747	PS:	that one I can arrange for you/]

PR	748	DL:	I'm helping you to store them/ and keep them/ you know/ yáh/ trying to it's actually up to you to arrange ah/ but you know/ we can store it there and we will take it from you/ when we finish our one thousand/
Ø			
PR	749	PS:	mm so you give me a:h cash for the one thousand/ and a banker guarantee for the same value lah hah/ for two thousand/ and you cannot promise me: ah when you can ah ask me to deliver the goods to your premises lah/ until you sell everything lah/ until you sell your existing one thousand lah/ [you say/
SAT	750	DL:	yah ya]h yah/

PS's dissatisfaction with the outcome vis-a-vis the storage period becomes apparent in his subsequent Proffer in 751 of the Post-exchange illustrated in extract 80. DL interrupts PS's Proffer with his own Proffer in 752 seeking to clarify PS's approach to doing business (an issue they briefly discussed in extract 75). In 761-767, the interpersonal relationship is enhanced by PS's explicit statement of what appears to be his personal motivation in his approach to business.

[80] PR	751	PS:	okay/ so I accept your bankers guarantee lah/ okay/ but if ah the if you have not take delivery/ I will keep this thing very safely: in my ah warehouse/ now you know that ah you know very well that tomato sauce can last a certain period/ it cannot last indefinitely/ now if it were to turn bad nah hah/ because of your failure to take delivery then I shall not be responsible for it/ I think it's fine it's fair isn't it/ I mean [ten years later you come back and collect it will be
Ø			
PR	752	DL:	no are these terms and conditions very]
	753	PS:	rotten/
SAT	754	DL:	u-huh/
	755	PS:	right/
	756	DL:	yah/
	757	PS:	ah/
PR	758	DL:	but these terms and condition very important to you/
PR	759	PS:	a:h sorry what you mean by what terms and conditions/
Ø			
{SAT}	760	DL:	I thought [the:
PR	761	PS:	as] far as I'm concerned [I
	763		I only interested in selling you and then I just get my commission from my principal/
	765		if the] more I sell to you/
	767		the more I make lah/ more commission I make lah/
SAT	768	DL:	I see/

DL takes advantage of the position developed by PS in 761-767. This can be observed in the next few extracts, which illustrate how DL employs the issue in order to elicit

movement on PS's part. Extract 81 opens with a Pre-responding exchange that DL initiates when PS Contrasts a proposal by DL to order less of the coffee product. The use of the solidarity issues in 798 helps DL to elicit agreement on the coffee product which he then uses as leverage to get better terms on the sauce product in 806. DL re-states the solidarity issue in 814 of another Pre-responding exchange to encourage further movement on PS's part.

[81]	PR	798	DL:	you want more commission/
	SAT	799	PS:	of course I want more commis[sion/ so would you/
				(laughing)
	PR	800	DL:	then I would take] one thousand/ coffee/ from you at I
				lah/
	PR	801	PS:	one thousand coffee of I ah/
	SAT	802	DL:	u-huh/
	SAT	803	PS:	ye:s okay/
	PR	804	DL:	do you want it/
	SAT	805	PS:	okay/ I ah/ alright I'll take I for one thousand lah/ as
				[I've said that's my
	CTR	806	DL:	yah but I I] don't want the other two thousand for the
				tomato sauce lah/
	PR	807	PS:	you do not want the other two thousand
		809		for the] tomato sauce/
	SAT	810	DL:	yah/
	PR	811	PS:	wah/ you are a quite a ah hah [(laughing) good
				negotiator ah/
	SAT	812	DL:	trying to let you earn commission/]
		813	PS:	[(laughs)
	PR	814	DL:	okay/ want to earn] commission/ I'm trying to help
				[you (inaudible)

DL can be observed to use the issue again as part of another Pre-responding exchange at the end of the same *bargaining* sequence, as illustrated in extract 82. The Pre-responding exchange (826-833) deals with the clarification of PS's proposals presented in extract 81. Within that Pre-responding exchange, there is a further clarification sequence (827-834) and it is in the Satisfy of this second Exchange that DL re-states the solidarity issue in 834. PS continues with the main Exchange with a Counter in 835 and a few turns later Satisfies the *bargaining* sequence in 839.

[82]	PR	826	DL:	toma]to sauce one thousand lah/
	PR	827	PS:	at what price/ [I/
	SAT	828	DL:	H/]
	PR	831	PS:	H ah
	SAT	832	DL:	H yah
	SAT	833	PS:	[okay/

↓				
CTR	←	834	DL:	so you] earn your commission/ you know/
CON	←	835	PS:	it's not much you see/ the quantity you see/ [háh/
				(laughing)
CTR	←	836	DL:	it's better to make a bit now than] than don't make any
				anything [(inaudible)
CTR	←	837	PS:	no no I assure you I know/ I'm] looking at long term
				interest [anyway/
SAT	←	838	DL:	yah/] [okay/
SAT	←	839	PS:	all right/] I'll lose some money lah hah/


Extract 83 shows DL's last use of the issue (890b) in the closing section of the negotiation as DL nudges PS towards agreement. However PS's slightly sarcastic Satisfy in 893 could indicate that he might have used the issue once too often.

[83]	PR		884	DL:	okay/ I will tackle my marketing/ so coffee if you want
					I can help you out lah/ you know/
	(SAT)		885	PS:	[mm
	PR		886	DL:	(a) I can help] you out/
	Ø				(b) can lah/ [each each make
	PR				coffee I]
	PR	←	887	PS:	
	Ø	←			
	Ø	↓	888	DL:	(a) a bit is okay lah/ ér/
	Ø				(b) I don't really need the coffee you know/
	PR		889	PS:	you don't need the [coffee/
	PR		890	DL:	(a) I don't] need it/
	SAT				(b) it's for you/ it's for the commission it's for you/
	PR		891	PS:	(laughs) is it/
	PR		892	DL:	yah/
	SAT				
	SAT	←	893	PS:	thank you very much/


The tone of this negotiation as developed by the use of the interpersonal solidarity issue is generally more positive than that observed in 1SS. Also, unlike 1SS, the issue is mostly employed in subordinate Exchanges either during or after a *bargaining* sequence. However, there is a similarity with 1SS in that the issue is also employed in the *bargaining* sequences as a means of eliciting movement.

As far as 3SS is concerned, the tone of the negotiation as established by the solidarity issue is generally not a positive one. The issue is developed in two broadly different ways. Firstly, it is used by the negotiators, in a few isolated instances, to attack the personal standing of the opponent. Examples of these realisations are illustrated in extracts 84-86. The first example occurs as part a Pre-responding exchange in the first


bargaining sequence. In 51-53, HC, the seller, employs the issue of status in his *rationale* to support his price proposals in 7. AL Contrasts HC's *rationale* in 56 but in Uptaking his turn employs the solidarity issue to undermine HC's experience.

[84]	CON		51	HC:	that's because my products are different from the rest/ and because they differ/ so likewise the price will differ also
			53		=I'm sure the shirt you're wearing it's a Manhattan shirt/ why would you be willing to pay/ let's say forty dollars for it compared to maybe a CYC shirt [that costs ten dollars/
			54	AL:	maybe you're not fami]liar with the er
			55	HC:	because you're willing to pay for the image/ the brand name/ the quality/ so likewise for your food products/
			56	AL:	no you probably are not familiar with the type of industry but in we are in basically foodstuff/ basic item/ now the price/ no matter how you do the packing cannot differentiate markedly from competitive products and they are abundance of these product in the stores/

AL employs the issue, illustrated in extract 85, in a similar way later in the Exchange. It can be observed in the Pre-responding exchange (100-105), after HC's Counter in 99 in which he uses the same realisation of the status issue in turn 53 above. This time, AL questions HC's audacity in making unsubstantiated claims.

[85]		99	HC:	I told you: our brands are different from others/ it's like your Manhattan shirt versus a CYC shirt/
		100	AL:	I may add] that I ma:y you pardon me for being of- a bit offensive/ but you come here and you say your product is good and you didn't even bring me samples/ I do not know what products look like/ and you're quoting me [at such a price how will I be able to
		101	HC:	if our well-known brands/] you do not tell me you don't have [some in your house
		102	AL:	I don't have (inaudible)]/
		103	HC:	some in your house/ I'm sure] you you have you have consumed some in your house but if you want samples no problem I can send my man
		105		we have] samples outside in my car [(inaudible)

The following extract illustrates HC's use of the solidarity issue in a way similar to AL's much later in the same *bargaining* sequence, a few Moves away from its close. This is illustrated in HC's Counter in 219 in the extract below. In this case, HC undermines AL's position by calling into question his integrity.

[86]	CTR		216	AL:	the price must be reasonable enough for us to consider lah/ I think

CTR ←	217	HC:	I'm sure even at the prices that I'm giving you you're still making some money maybe less only Mr Lee:
	218	AL:	[losses
	219	HC:	let's be] honest let's be honest Mr Lee/
	220	AL:	[losses
CON ←	221	HC:	I'm sure] you're you'll be making some [money/
	222	AL:	no we're] talking losses/ and opportunity cost/ cost that er is way above [what we prepare/

The second way in which the solidarity issue is realised in this negotiation can be observed in the negotiators' comparisons of the degree to which the other has compromised. An example of this can be found in extract 87 in turn 131b where HC initiates a Mid-move Exchange. In this subordinate Exchange, both negotiators accuse each other of not having compromised adequately. The Mid-move Exchange ends with a zero Satisfy when HC initiates another subordinate Exchange in 143 to establish AL's current position.

[87]	CTR	131	HC:	(a) as I said Mr] Lee/ I can go down to G/ but B is definitely too far off/
	PR			(b) you have only given me one price B and that is hardly negotiation/
	PR	132	AL:	(a) B for all three products/
	Ø			
	CON			(b) now you
		134		you have] quoted a far way off of I for all three product/
	CON ←	135	HC:	[yah so now I I
	CON ←	136	AL:	(a) and I don't see] I don't think we differ much ér in terms of being too drastic/ in our asking ah/ if you're prepared to be serious in doing business/ I'm prepared to consider compromise prices/
	PR			(b) and also I have to look into what are the credit terms and what are the quality of product/ now the existing pro[duct we have
	SAT	137	HC:	I don't think you] have to worry about quality/ ours is a well-known brand/ you don't have to worry about quality the quality is [guaranteed/
	CON	139		but] you have just given me one price B and nothing else/ [what what what
	CON	140	AL:	similarly you have] given me one price I for all three products/=
	CTR	141	HC:	=I said I can go [down to G:/
	CON	142	AL:	at a price I'm] making losses/
	Ø			
	PR	143	HC:	so what can you go up to:/

The solidarity issue is employed in the same way in a Pre-responding exchange initiated by HC as illustrated in 241 in extract 88. As with the previous Exchange, it closes with a zero Satisfy with HC's Contra in 245b. At the same time, a more positive realisation of

the issue can be observed in HC's pledge in 245a that he is telling the truth. AL on the other hand employs the issue more negatively in 246 when he rejects the *rationale* HC presents in 245b as being HC's problem.

[88]	CTR	240	AL:	:	so if you are unable to offer at the right price which I say the highest will be around <i>D</i>
	PR	241	HC:		<i>D</i> is hardly any different from your <i>B</i> / I have gone up from <i>I</i> to <i>G</i> already which is
	CON	242	AL:		I've come [down from <i>B</i> you know/
	CTR	243	HC:		much more substan]tial than you:r <i>B</i> [<i>D</i>
	CTR	244	AL:		no] I think it's a cost condition it's not a matter of how well we compromise/ probably you have started on a on a higher side and you probably need to lower your price to be on par with what the market has to offer/=
	CTR	245	HC:		(a) that is what I'm offering my present customers now I'm telling you the truth Mr Lee/ you can check with them if you do not believe me:/ those are the prices/
	Ø				
	CON				(b) if I give you too low my other customers are going to come after me/ they say what what makes your [Peninsula Supermarket so special/
	CTR	246	AL:		that that is that] that's is you:r part of the problem with your own pricing and your own cost/

HC repeatedly employs the issue several more times in the final stages of the negotiation as can be seen in the following excerpts:

- [89] 291: you can't be wanting everything your way/ first you want a price that you think will sell/ you I give it to you/ then you want a a price that will make you a profit that is satis- satisfactory you that also you want/ and then
293: time period] also you want/
- [90] 297: =I'm giving you two choices/ I gave you the initial choice that don't enter in a long term contract/ just try out our goods/ if you at our prices/ if it doesn't sell/ then you can you don't have to order from us/ right/ and then I give you the second alternative at your prices which you think you will sell/ well/ and you'll make you a lot of money/ and you still don't want
299: then then] you should enter into a longer term contract/
301: and that you] do not agree [also/
303: =so both sides I'm giving you [the two ends and
- [91] 383: no no that's I've given so many things/ given in to you
385: (inaudible) I've give you new credit I've moved so much higher from my price I/ you have only gone down a bit from your price *B*/ [I've gone so far up from price I/
- [92] 389: =I'm giving you so many alternative routes but you seem to be: narrow minded/ you're only sticking to: one: avenue of thought/ and the price and nothing else/ you must take into consideration other facto:rs/ your credit terms/ your contract length/ your type of products/ specifications/ you have to
391: take other things into hand] Mr Lee/ you cannot just think about price and nothing else/ right/

HC uses the solidarity issue for the final time, more positively, in 441 as he appeals for AL to be fair. At the same time, he also builds further rapport in his appeals that they conclude quickly in order to go for a drink. Settlement point is eventually arrived at several turns later in 472 after an extended Pre-responding exchange between 452-471.

[93]	CON	441	HC:	<i>E èr Mr Lee/ let's be let's be fair lah/ once and for all</i>
	CON	442	AL:	<i>let's settle this lah/ we can go for a [drink/</i> <i>you have agreed at D but at five years lah/ which I</i> <i>don't agree lah/ maybe you could say reduce lah/</i> <i>reduce e:r</i>
	CON	443	HC:	<i>come Mr Lee</i>
		444	AL:	<i>[to three years lah/</i>
	PR	445	HC:	<i>let's settle] it at E and we'll go for a drink after this/=</i>
		446	AL:	<i>=what E/ E was never our price ah/</i> <i>:</i>
	SAT	449	HC:	<i>=E with better credit terms ah/</i>
	CTR	450	AL:	<i>it's only one month extra lah/ from one [(inaudible)</i>
	CON	451	HC:	<i>ei it's a lot of difference] Mr Lee you're talking about</i> <i>hundreds of thousands of in the millions of dollars you</i> <i>know/</i>
	PR	452	AL:	<i>you are talking at price E fo:r four months/ credit term/</i>
	SAT	453	HC:	<i>[yah</i>
	PR	454	AL:	<i>on] a three year contract basis/</i>
	SAT	455	HC:	<i>yes/</i>

Although the solidarity issue, as realised in the calls for compromise, do not appear to have direct influence in the outcome of the negotiation, it does play a significant role in conjunction with the more positive attempts to build solidarity to move the negotiation to its final outcome.

In general, the issue of interpersonal solidarity is prominent in the Singaporean-Singaporean negotiations in the degree to which it occurs. In addition, it is employed in association with other issues, often in the closing sections of Exchanges, to move the negotiation towards settlement point. In contrast to the British-British negotiations however, the realisations of the issue tend not to be positively employed.

4.3.2.3 The British-Singaporean Negotiations

Given the heterogeneous make-up of this category of negotiations, the use and realisations of the solidarity issue can be expected to differ to some extent.

There is just one instance of the solidarity issue in 1BS and it is introduced in the closing stages of the negotiation. It is illustrated in extract 94 below, which opens with RM, the Singaporean buyer, Countering AM's proposals presented between 333-341. Although there is an undercurrent the issue in RM's Counter in 342 and AM's Counter in 343, it does not surface till RM's subsequent Counter in 344b when he employs the issue negatively with an implication that RM has not come to the negotiation prepared. AM in turn employs the issue in his Counter in 345. However the realisation of the issue in this Move as a sarcastically phrased joke assists in diffusing the episode.

[94]	CTR	342	RM:	m-hmm/ I mean with a guarantee of ten thousand tons/ for the twelve months I think we should be able to get better prices than <i>D E</i> and <i>F</i> /
	CTR	343	AM:	do you think you can get better [prices from elsewhere/
	CON	344	RM:	(a) yes er actually] of course as you know we have sixty supermarkets and we've done our research/ and we're talking to other suppliers at the same time obviously/
	CTR			(b) nothing hard and fast yet/ why not we stop here and you go back and do your homework/ to see whether you can come down with between the <i>A</i> to <i>C</i> level/ with a guarantee of ten thousand cartons/ half percent base rate for thirty days credit/ and shared advertising costs/ as I mentioned/ twenty-five thirty-five fifty/ [and we] may as well give it to you sir/
	CTR	345	AM:	
		346	RM:	(laughs)
	CON	347	AM:	no/ I mean at the present time we couldn't do that/ and I would have to say now that management wouldn't approve anything like that/
				:
	PR {SAT}	354	RM:	this is the best you can come up with/ <i>D E</i> and <i>F</i> /
	CON	355	AM:	I could most probably give you <i>D E</i> and <i>E</i>
		357		but I would have to: increase the interest rate on credit to three quarters of a percent

AM develops his Contra in 347 with a further rationale on quality (351-353), and subsequently improves on his proposals after RM's Proffer in 354.

In contrast to 1BS, the solidarity issue is employed considerably more often in 2BS. On most occasions it is employed by DL, the Singaporean buyer. This is true of the first instance in which it is introduced, which is in the opening section of the *contract review* Transaction. In extract 95, DL can be seen to realise the issue in his Proffer in 52 and 54 expressing approval of BH's proposal to do a package deal in 51.

- [95] PR 48 DL: so would you be introducing to me the chilli sauce or tea bags or sardines
- 50 mm which is your main product that you would like to sell to me
- SAT 51 BH: well/ we would] we would aim to try and do a package deal with you/
- PR 52 DL: [sounds great/
- 53 BH: selling all of] these products/
- 54 DL: I love packages áh/
- SAT 55 BH: (laughs) well/ it's okay if you open them up and it's good for all of us/

DL next employs the issue a few turns later in the same *review* Transaction. The following extract opens with a BH Proffering his surprise at DL's previous Move in which he intimated that his suppliers profit margins have been good (62). When BH, in 67, challenges DL's Proffer in 64b that profits are important, DL introduces the solidarity issue in 68 assuring BH that the latter that his interests will be kept in mind. DL's realisation also the SCE solidarity "lah".

- [96] PR 63 BH: I'm surprised that you know] that their profits are good/
- SAT 64 DL: (a) yah it's very good/
- PR (b) so that's why in order for us to have a: business transaction I'm afraid profits would be would be important/
- (SAT) 65 BH: [m-hmm/
- 66 DL: you know/] from the: from the:=
- PR 67 BH: =profit from your point of view/
- SAT 68 DL: from:: but in order as I said I think we can work together because you want to:: sell to us some of these products and we will not let you supply us without yourself making a profit lah/

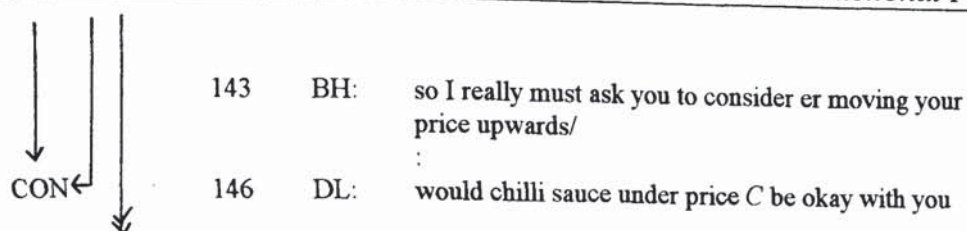
The next time DL employs the issue, which is in the first *bargaining* Transaction, it is with more negative overtones. This is illustrated in extract 97 in turn 94 where, in Countering BH's Move in 93, DL questions BH's autonomy in handling the negotiations. BH takes up the issue in 97 with a more positive realisation of the issue with a joke. DL retains the more positive realisation of the issue in his Proffers in 100 and 102.

- [97] CON 92 DL: :
- CON 93 BH: my pricings is in the region of straight Bs/ good Lord/ well that would be quite impossible/ we could certainly move a little bit/ but from H F F to:: to straight Bs really is an impossible situation/
- CTR 94 DL: would you like] to get back to your board on this/ whether they are able to accept our pricing/ at [straight Bs/
- PR 95 BH: no: it's] not a case of the board/ we have autonomy to complete a deal without returning to the board/ and I'm

			sure that you don't want to be hanging around while we consult the board/ the board essentially is made up of people who determine the main policy of the company but they don't involve themselves with the day to day business that we transact/ that's [left to
SAT	96	DL:	fair enough/]
PR	97	BH:	that's why they pay us all this money you [know/
SAT	98	DL:	yah/]
	99	BH:	(laughs)
PR	100	DL:	so let us maintain your pay and your operations in [Singapore/
SAT	101	BH:	we:ll/] but we won't do that on price B I'm [afraid/
PR	102	DL:	oh] I had the impression you you were deciding on price B/
SAT	103	BH:	no no no no/ goodness me that that'd be impossible/ they'd sack me for that/ [(laughs)
	104	DL:	(laughs)]

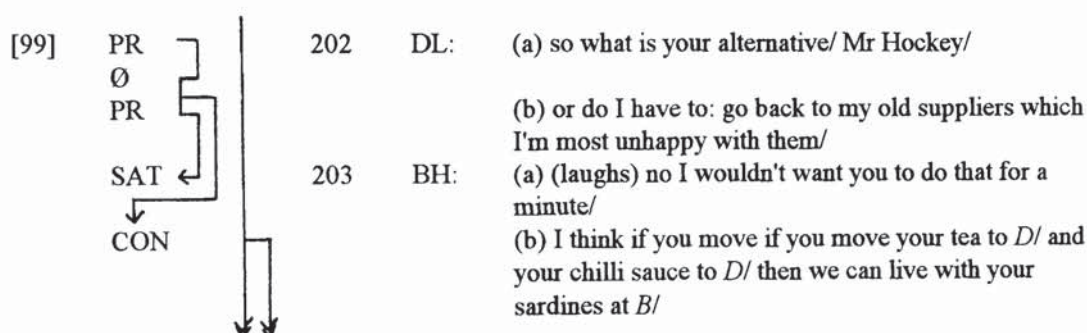
When the issue is subsequently employed, it is based on its realisation developed in extract 97. This is illustrated in extract 98, which opens with proposals on the payment issue. DL re-introduces the solidarity issue in 132 when he Counters BH's Move in 131 with a joke. BH retains the issue in 133 before DL returns the negotiation back to the payment issue at hand. In presenting his proposal for a three month credit period in 134, DL does not present *rationales* based on any other issue. However he does employ the SCE solidarity markers.

[98]	PR	129	BH:	do you normally pay up front/ or do you normally pay on credit terms
	{SAT}			
	PR	130	DL:	I can] consider paying up front if we're talking about price B you see/
	CTR	131	BH:	are we/ yah well I'd hoped we'd moved away from we've moved off our
	CTR	132	DL:	yah but I don't want you to lose your job that's why I'm thinking very hard how I can you know/ [keep your job/(laughs)
	CON	133	BH:	well you could you could] you could keep my job by giving me price F and (laughs)
	CTR	134	DL:	so credit terms you know/ actually about three: months huh should be okay lah huh
	CON	137	BH:	well you know/ interest rates in the UK are running on interbank rate at about twelve percent
				:
				and if we do that on price B for instance which we're still on/ that would mean that we're into a loss situation/ and er]
	PR	139		
	Ø	140	DL:	that cannot be/
		141	BH:	board or no board that's impossible/ [(laughs)
		142	DL:	(laughs)]



Extract 98 continues in 137 with BH presenting a Contra in which he provides an extensive *rationale* based on interest rate costs. He also introduces the solidarity issue in 141 with a joking reference to his board. This procedure appears to have some effect on DL who, in his Contra in 146, makes a small movement in his price proposal for the chilli sauce product.

The issue is employed on one more occasion by DL. In extract 99, DL initiates a Pre-responding exchange in 202. Encountering a zero Satisfy, DL Proffers a threat in 202b, though the issue of solidarity is also employed in his intimation of his dissatisfaction with his former suppliers. BH responds to this Proffer as a joke before presenting an improved proposal in 203b.



It would appear that the solidarity issue in 2BS, plays a considerable role in assisting the negotiators, particularly DL, to elicit movement from their opponents. In addition, the generally positive realisations of the issue contribute to a large extent to the overall cordial negotiation.

In the final negotiation, 3BS, the solidarity issue is used only to a limited extent. However its realisations are more positive in nature. This can be seen in extract 100, in which BB, the British seller, introduces the issue in a Mid-move Exchange in 63 in the *product review* Transaction. The realisation is a similar to his use of the issue in his negotiation with his British counterpart in 3BB. Unlike RP's (the British buyer) response, AL simply Satisfies the Exchange with a back-channel device.

[100]	PR	61	BB:	now/ I happen to have brought with me/ I can show
		62	AL:	you/ the remains of the chilli sauce/
	PR	63	BB:	[m-hmm/
				it ought] to be a full bottle/ but I must admit we ran out
		64	AL:	last night at home and my family have managed to
		65	BB:	consume nearly all of it/
	(SAT) ←	66	AL:	m-hmm m-hmm/=
	PR	67	BB:	=which at least I think demonstrates it's a very popular
		68	AL:	product/
				mm/
				(a) with the Brown household/
				(b) but you can see it has a nice orangey colour/
				m-hmm/

When BB introduces the issue again in the same Exchange with a similar realisation, he receives a slightly more explicit response in AL's laughter, but there is still no verbal reaction.

[101]	PR	135	BB:	(a) let me turn if I may please to: sardines\
	PR			(b) which I see are also bought in Tierneys/ tsk tsk tsk
	SAT	136	AL:	(laughs)
	PR	137	BB:	do you know Tierneys Supermarket/ it's on the end of
				er Farrer Road/ it's run by an Englishman/ and it's
	(SAT) ←	138	AL:	expensive for everything/ I asked my wife to get me
		139	BB:	these items yesterday/
				m-hmm/=
				=and she's obviously just popped down to the nearest
				place/ I'll kill her/

It is unsurprising that the solidarity issue as realised in 3BS is similar to the British-British procedures, since both instances are introduced by the British negotiator. Like the British realisations, these uses of the issue do not have a tangible influence on the outcome of the negotiation but they do serve to establish a positive interpersonal relationship between the negotiators.

As with the interactional procedures dealing with the substantive issues, distinct procedures can be observed in the three categories of negotiations in the development of the interactional procedures dealing with the interpersonal dimension. These are summarised below:

- The British-British negotiators employ the issue of interpersonal solidarity only to a limited extent. These are mostly realised in the form of jokes and anecdotes and occur early on in the *review* Transactions of the negotiations. To this extent, the

influence this issue has on settlement point can only be recognised in the positive atmosphere the issue fosters.

- The issue plays a significantly more influential role in the Singaporean-Singaporean negotiations. Although the realisations of the issue tend to be negative, they also assist in eliciting movement from opponents. They tend to be used in much the same way as the Singaporeans employ the substantive issues. In other words, the solidarity issue tends to be called into play on an as-and-when-needed basis.
- The development of the solidarity issue in the British-Singaporean negotiations is varied. Its use in 1BS and 3BS is, like the British-British negotiations, limited. However it is only 3BS that employs the issue in a similar manner to the British negotiators. The issue as used in 1BS is more similar to the Singaporean realisations in its negative characterisation. The remaining negotiation, 2BS, appears to employ the issue in a unique way: the issue is developed in the *review* Transaction and is subsequently employed as part of *rationales* in the *bargaining* Transactions in a manner similar to the British negotiators development of the substantive issues.

4.4 Characterisation of the Negotiations

In this section, the three categories of negotiations (the British-British, the Singaporean-Singaporean, and the British-Singaporean) are characterised by consolidating the discrete features that have been identified in the preceding sections. This is done in order to establish more clearly the features unique to the three categories of negotiations. At the same time, the negotiators' responses to their negotiations are discussed as an indication of the degree to which the various procedures were successful. The discussion also attempts to account for the different linguistic procedures using the findings of social scientist Geert Hofstede's (1991) research on cultural differences. The section begins

with a brief introduction to Hofstede's work before discussing each of the three categories of negotiation in turn.

Hofstede's research is seminal in two respects. Firstly, it provides empirical basis and support for social phenomena that had been previously postulated by research in anthropology and sociology. The earlier work is based on the premise that all societies face the same basic problems and the objective of that research was to identify what these common problems are. The areas that were originally identified, and subsequently supported by Hofstede's research, focus on four issues: the individual's relation to authority; the conception of self in terms of the relationship between the individual and society; the conception of self in terms of the individual's notion of masculinity and femininity; and finally, the manner in which conflict is dealt with (Hofstede, 1991:13). The second contribution of Hofstede's research, particularly for this study, is his extensive database of more than 116,000 questionnaires. The database covers over 50 countries and provides comprehensive profiles of specific countries, Britain and Singapore among them.

The statistical analysis of Hofstede's data revealed issues similar to those identified by the earlier researchers. Hofstede refers to the four areas as dimensions of culture, that is different phenomena in society which are empirically found to occur in combination and that can be measured relative to other cultures. The dimensions are termed *power distance*, how individuals in societies deal with inequality; *collectivism* versus *individualism*, the degree to which an individual's identity is dependent on group membership; *femininity* versus *masculinity*, the degree of assertive or modest behaviour expected in a community; and *uncertainty avoidance*, how individuals in society deal with uncertainty.

An additional dimension was subsequently proposed by Michael Bond, termed by the latter *Confucian dynamism*, which considers the concerns of different cultures for Virtue or Truth (ibid:160-161). This fifth dimension is acknowledged by Hofstede as being a critical and necessary addition since it enhances what was originally a framework informed by research from a western perspective. In order to overcome this bias, Bond designed a questionnaire with a deliberate non-western bias. In addition to his own

readings of Chinese philosophers and social scientists, Bond's questionnaire draws heavily on an inventory of basic eastern values drawn up by Chinese social scientists from Hong Kong and Taiwan.

4.4.1 *The British-British Negotiations*

Looking at the negotiations in terms of their overall development of bargaining behaviours, 1BB and 2BB are the more integrative of the British-British negotiations and employ strategic behaviours in a similar manner while 3BB is more distributive in nature. The distributive nature of 3BB is also reflected in the limited use of reciprocal behaviours. However all three employ a similar development of strategic behaviours in order to arrive at settlement point. Movement towards resolution is realised by the parallel increase in the integrative and offensive strategies over time, and a concurrent decrease in the defensive strategies. This development in 1BB and 2BB results in a *resolution* phase where the three strategies are equally distributed. In 3BB, the *resolution* phase concludes with a higher distribution of defensive strategies.

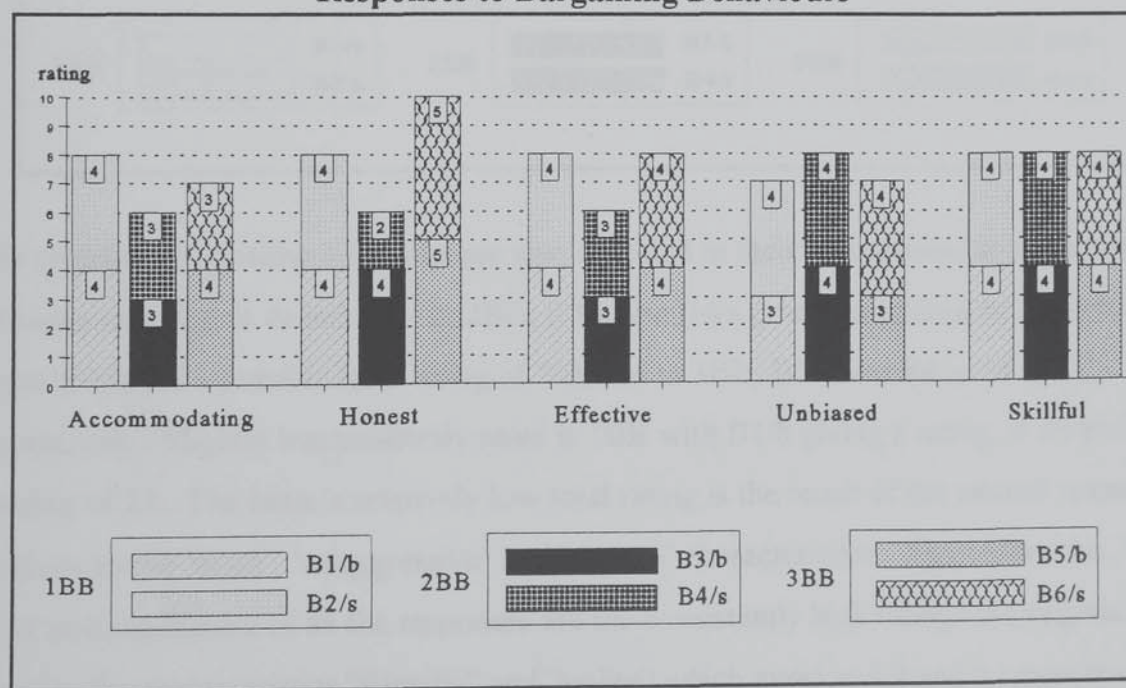
As far as the bargaining behaviours are concerned, the concentration in 1BB and 2BB is overwhelmingly on Provide Information, more than in any of the other negotiations. Furthermore, both buyers and sellers in these negotiations use the behaviour in equal measure. In contrast, the distributive nature of 3BB is further highlighted by the less frequent and also inequitable use of this behaviour (Putnam & Jones, 1982b:268). Information exchange is especially essential given the British negotiators' emphasis on the development of the substantive issue as opposed to the issues dealing with interpersonal solidarity. However, despite the secondary role of this latter issue, their explicit realisations (eg. jokes and anecdotes) have a subtle positive influence on the negotiations.

The information exchange behaviours, particularly in the *problem-solving* phase are central to the *grounded* strategy favoured by the British-British negotiators in which issues are introduced and discussed in the *review* Transaction before being employed as *rationales*, either to support their own or to undermine their opponents' proposals, in the *bargaining* Transactions. In other words, relevant issues, the issues that eventually influence outcome, are identified before the first proposals are made. In this way, the

issues are developed into clear bargaining arenas or platforms which serve as the grounds for the persuasive arguments presented as part of proposals. When insufficiently developed issues need to be discussed in the *bargaining* Transactions, these are clearly marked structurally in the use of subordinate Exchanges.

As a whole, these behaviours and procedures are perceived positively by the negotiators. Before discussing the British-British negotiations in turn, a summary of responses to the post-negotiation questionnaire⁸ is discussed in order to gain an insight into the negotiators' reactions to the bargaining behaviours and the communication used, as well as the attitudes held. In general, the British-British negotiations and negotiators are rated highly in all these areas. For instance, this can be seen in their responses to each others' bargaining behaviours presented in Figure 4a. Of a possible total rating⁹ of 25, both negotiators in 3BB give total ratings of 20 each. 1BB is similarly rated with B1/b and B2/s giving ratings of 19 and 20 respectively. 2BB is the least highly rated of the negotiations, in which B3/b gives a total rating of 18 and B4/s gives the lowest total rating of 16. The latter, in particular, rates his partner poorly in terms of 'honesty'.

FIGURE 4a: British-British Negotiators' Responses to Bargaining Behaviours

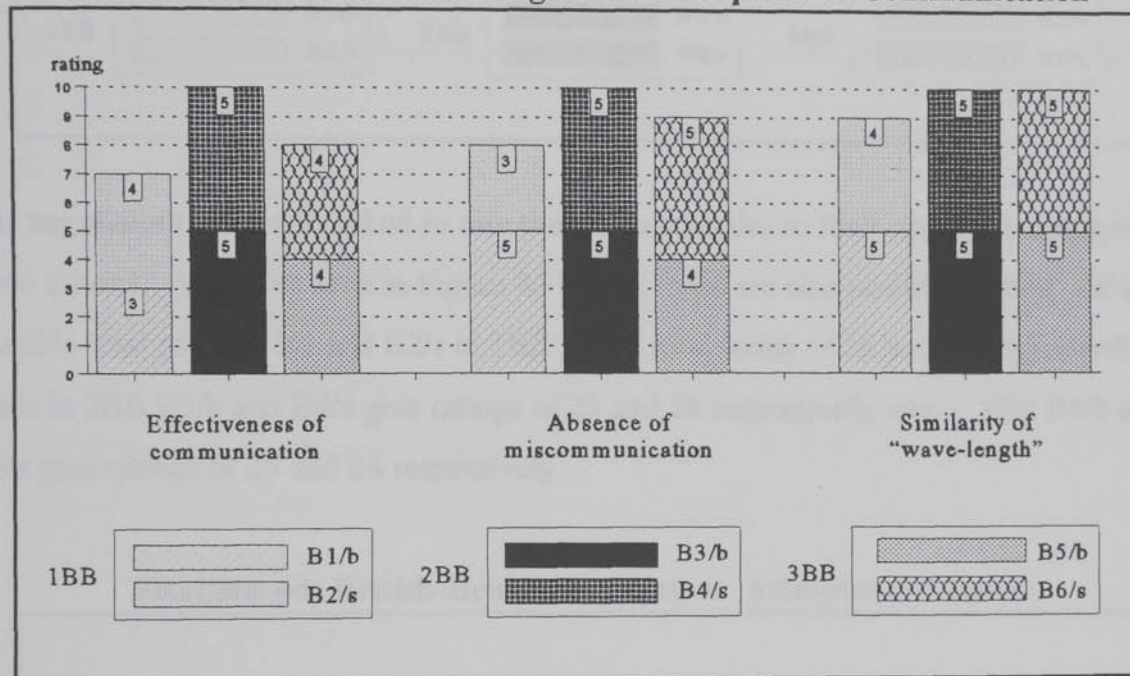


⁸ Negotiators were asked to rate various features on a five-point scale, rating 1 being the least favourable and 5 the most favourable. See Appendix C for a sample of the questionnaire.

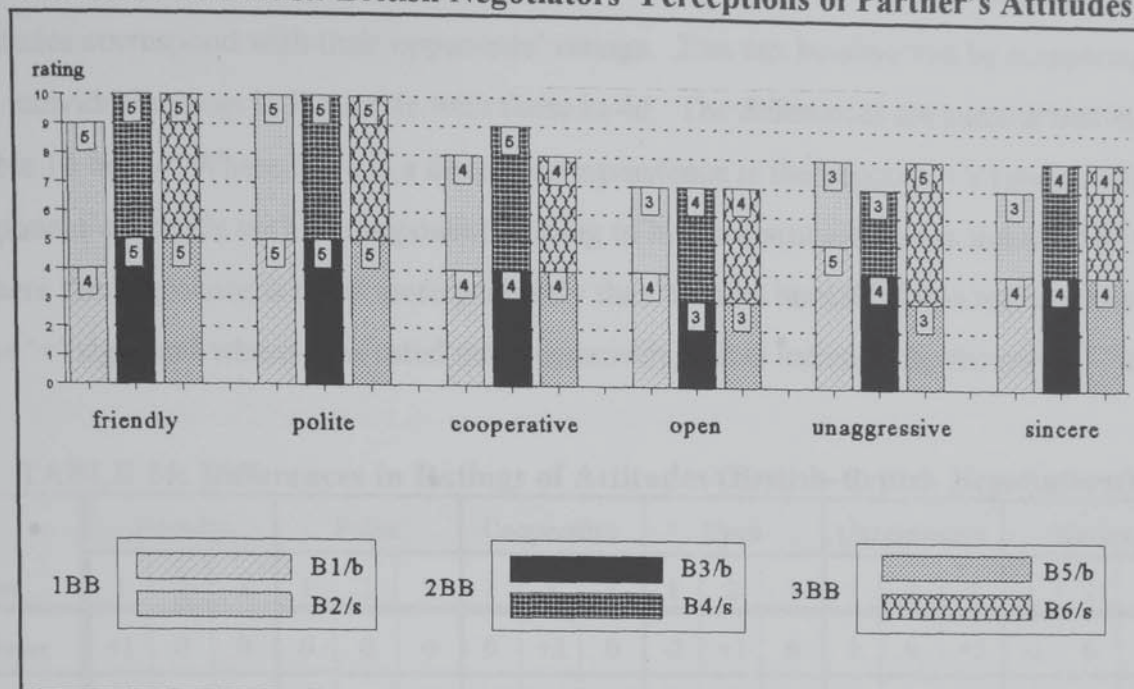
⁹ Possible total ratings are arrived at by multiplying the maximum rating possible, ie. 5, by the number of features. For example, the number of features in Figure 4a is 5, thus the possible total is 25.

The communication that occurred during the negotiation, an aspect of which would include the rhetorical development of the discourse, is also rated favourably by the negotiators. This can be seen in Figure 4b below. 2BB is the most highly rated of the negotiations with both B3/b and B4/s giving the full rating of 15 each. 3BB is rated slightly less highly; ratings of 13 and 14 are assigned by B5/b and B6/s respectively. The least highly rated of the negotiations is 1BB, rated 13 by B1/b and 11 by B2/s, with the latter giving a neutral rating to the 'effectiveness of communication' and the former giving a similar rating to the 'absence of miscommunication'.

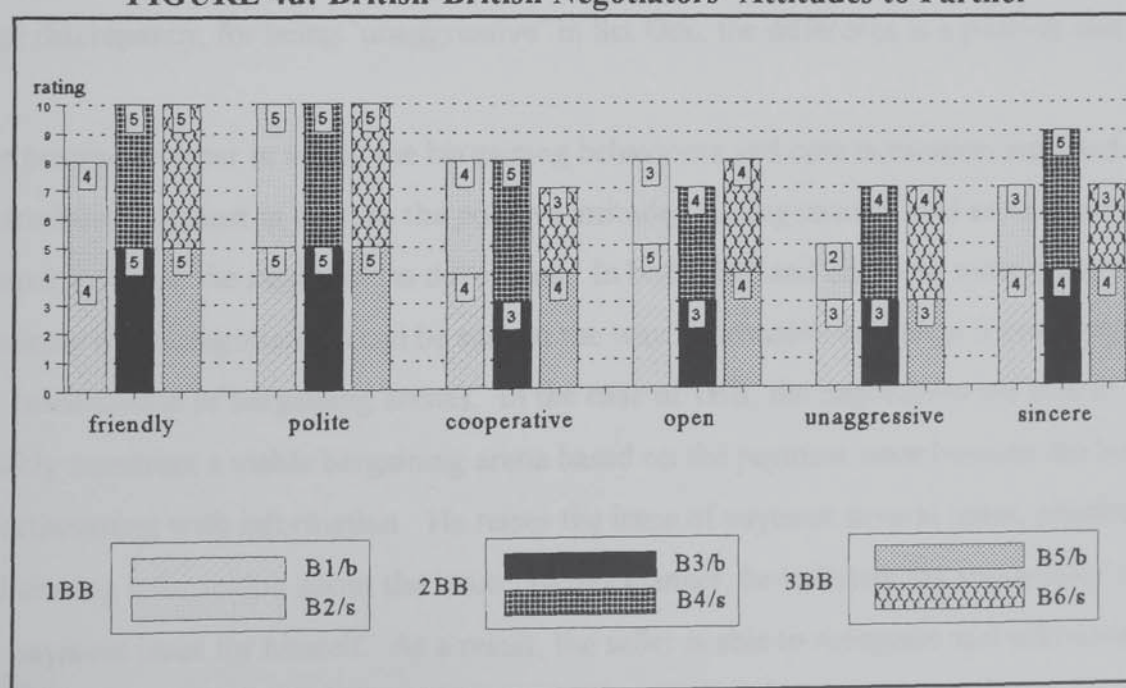
FIGURE 4b: British-British Negotiator's Response to Communication



The negotiators' positive reactions are also reflected in their perceptions of each others' attitudes (see Figure 4c below). In 2BB, B3/b and B4/s give total ratings of 25 and 26 respectively (of a possible total rating of 30), and in 3BB, B5/b and B6/s, 24 and 27 respectively. Slightly less positively rated is 1BB with B1/b giving a rating of 26 and B2/s a rating of 23. The latter's relatively low total rating is the result of the neutral responses he gives to the 'open', 'unaggressive' and 'sincere' characteristics. Apart from this, the most striking feature of all the responses are the consistently high ratings the negotiators give for the characteristics "friendly" and "polite" which average 4.8 and 5 respectively.

FIGURE 4c: British-British Negotiators' Perceptions of Partner's Attitudes

The negotiators were also asked to rate their own attitudes to their opponents using the same criteria. As can be seen in Figure 4d below, these are also positively rated. Of a possible total of 30, B1/b and B2/s in 1BB give a total rating of 25 and 21 respectively, while in 2BB B3/b and B4/s give ratings of 23 and 28 respectively, and in 3BB B5/b and B6/s give ratings of 25 and 24 respectively.

FIGURE 4d: British-British Negotiators' Attitudes to Partner

It is also revealing to examine the degree to which the negotiators' ratings of their own attitudes correspond with their opponents' ratings. This can be observed by comparing the individual ratings in Figure 4c with those in 4d. The differences are summarised in Table 14 below. Where there is a direct correspondence in the negotiator's rating of his opponent's attitude with the opponent's rating of his own attitude, this is indicated by '0'. Where the negotiator is rated more positively than he rates himself, this is indicated by the plus '+' sign, and where he is rated more negatively, this is indicated by the minus '-' sign.

TABLE 14: Differences in Ratings of Attitudes (British-British Negotiations)

Set	Friendly			Polite			Cooperative			Open			Unaggressive			Sincere		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
Buyer	+1	0	0	0	0	0	0	+2	0	-2	+1	0	0	0	+2	-1	0	0
Seller	0	0	0	0	0	0	0	-1	+1	+1	-1	-1	+3	0	-1	+1	-1	+1

Thus, when the differences in the responses are compared, it can be seen that not only do **all** the negotiators in all three negotiations rate themselves as being 'polite' (as observed earlier), these attitudes are accurately perceived by their opponents. This is also true of being 'friendly', with the exception of B1/b, the buyer in Set One, who is rated as being more friendly than he rated himself. On the whole, the positive attitudes the negotiators held towards their opponents' are accurately perceived by the latter. Where there is a large discrepancy, for being 'unaggressive' in Set One, the difference is a positive one.

The positive manner in which the bargaining behaviours and communication are rated can be attributed, at least in part, to the positive attitudes the negotiators held as well as the manner in which the negotiations developed. In both 1BB and 2BB, the more integrative of nature of the negotiations can be seen in the way information exchange is employed in the construction of bargaining arenas. In the case of 1BB, the negotiators are able to quickly construct a viable bargaining arena based on the payment issue because the buyer is forthcoming with information. He raises the issue of payment several times, eliciting and sharing information about the issue. In this manner, he indicates the importance of the payment issue for himself. As a result, the seller is able to recognise and acknowledge its importance, which becomes evident in the proposals he makes.

In 2BB, the negotiators are able to identify an issue of common interest, which is the relative positioning of the three products vis-a-vis customer profiles. This is largely possible through the extensive sharing of information on both sides. However, problems arise when it comes to agreeing where to pitch the juice product. This arises because the buyer develops his position, which is for a low-priced product, based on the reasoning that it is for the children's market. The seller is unable to contradict the buyer's position because it is one the seller himself introduced when developing a different position on the promotions issue. This exploitation of the seller's position could account for the less positive rating of his opposition's bargaining behaviours. Nevertheless, he handles the situation by developing a parallel position based on a different customer profile, which is the health-conscious consumer. Thus it can be seen that sharing too much information can be problematic as it can be manipulated by the other party in a disadvantageous manner.

With 3BB, the lack of information exchange and the inequitable distribution of this behaviour between buyer and seller influences the construction of the bargaining arena. The negotiators in this negotiation, the most distributive of the interactions, quickly identify the need for a package deal as an area to develop as their bargaining arena. However, the seller is responsible for most of its development which he accomplishes by focusing mainly on the special promotions package his company can offer. The buyer is less forthcoming with information on his own position and although he professes to share the necessity for a package deal, he eventually discounts many areas of the seller's position. Thus the latter is left in a weak position having devoted much time and effort to developing the discredited package deal issue.

Despite the generally integrative nature of the negotiations, the negotiators do encounter differences which they need to resolve. The manner in which this is done is greatly aided by their shared discourse procedures, reflected in the rhetorical and interactional procedures used, and also by the ease with which they are able to read each others' attitudes, reflected in Table 14. The rhetorical procedures are similar to the quasilogical strategies described by Johnstone (1989) which emphasize the orderly progression of the negotiation from a discussion of each others' positions, which have to be set up before they can be argued. This logical process also incorporates a second concern, that is the

need for truth; ie to stray from a position originally set up in the review phase would not be honest.

This could explain the poor rating for 'honest' that B4/s assigns to his opponent. It is the only rating of 2 assigned for all the responses. This is also the only negotiation in which a clear arena was not clearly established (see section 4.3.1.1) in the positioning of a product. The issue is also not clarified subsequently in side sequences in the *bargaining* Transactions, a procedure which other negotiations employed to clarify unclear positions. It is a moot point as to what the negotiators understood each others' positions to be on this issue, but since its unclear position was used in B3/b's favour, this could be perceived by B4/s as involving some possibly dishonest manoeuvring on the buyer's part.

The quasilogical procedures of western rhetoric described above can be accounted for in Hofstede's discussion of different orientations to western and eastern thinking. Although discussing how the differences have affected economic development over the years, Hofstede highlights a point that is relevant to this study. He observes that western thinking is concerned with Truth, and that this is "supported by an axiom in Western logic that a statement excludes its opposite: if A is true, B, which is the opposite of A, must be false." (Hofstede, 1991:171) Hofstede goes on to elaborate how this concern for Truth and analytical western thinking were critical in the development of the west 200 years ago during the Industrial Revolution when the discovery of the laws of nature could be exploited for progress (ibid:172).

It is not unexpected that these logical ways of thinking should be reflected in the ways of speaking. And it is clear from the British-British negotiations that these shared ways of speaking facilitate their interactions. Shared ways of thinking and speaking are also reflected in the emphasis placed on being 'polite' and 'friendly' by both parties in all the negotiations. This behaviour can partly be accounted for in terms of the Individualism dimension. Individualist cultures are ones "in which the ties between individuals are loose" (Hofstede, 1991:51) and where "speaking one's mind is a virtue. Telling the truth about how one feels is the characteristic of a sincere and honest person ... Adult individuals should have learned to take direct feedback constructively" (ibid:58). Britain,

ranked third of 53 countries in the Individualism index¹⁰ (IDV), would be considered an individualist society.

Individualist countries also tend to have 'low context' communication, a term used by anthropologist E.T. Hall to describe communication where "the mass of the information is vested in the explicit code" (Hall, 1976:79). This is in contrast to collectivist countries, which tend to be 'high context' where "most of the information is either in the physical context or internalized in the person, while very little is coded in the explicit, transmitted part of the message" (ibid:79). Having a culture which tends to prefer low context communication, the British negotiators are thus inclined to mark their solidarity explicitly. One aspect of this is clearly evident in the way politeness and friendliness are realised in jokes and anecdotes used early on in the negotiation to establish solidarity (see section 4.3.2.1).

In addition to this explicit realisation of the solidarity issue, politeness in the British-British negotiations is also encoded in the structural realisations of speech acts, and would be evident in the coherence and conversational procedures if they had been within the scope of this study. Initial analysis of these procedures¹¹ indicates that the British negotiators tend to hedge and use tentative formulations in making proposals in an effort to present them in a more polite and redressive manner.

¹⁰ See Appendix D1.

¹¹ An example can be seen in 1BB with B2/s's (AM) first price proposal. Because it is the best pricing for himself and the worst possible for his opponent, B2/s spends considerable effort providing the rationale for his pricing (square-bracketed), followed by several hedges and tentative delivery (italicized) before he finally presents the proposal (bolded):

260 AM: [looking at the .. the general retail prices that you're charging/ on your . other brands/ you have on the shelf/ e:r . obviously we're not . certain as to the . wholesale price that you're paying/ but er your margins would seem to be fairly high/ erm .. and as we believe that the quality of the coffee we'd be supplying you is as good if not slightly superior/]

261 LB: mm/ ..

262 AM: we would look to charge ... *what you would most probably be thinking as a fairly high price/ but I'm willing to reduce it as it's a first time deal/ erm .. I'd say more on a good will basis/ .. e:r and I suppose we'd be looking ... on a joint pricing scale/ sixty-five thirty-five/ ()*
at around ***1 dollars per er . thousand/ per month/***

4.4.2 The Singaporean-Singaporean Negotiations

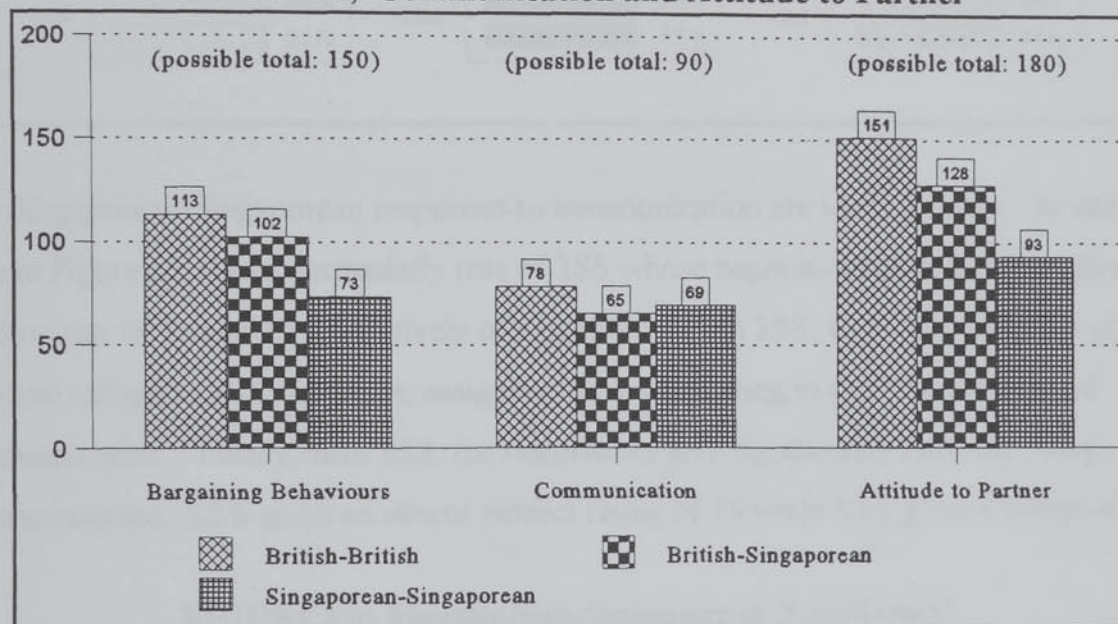
All three of the Singaporean-Singaporean negotiations are different in character as reflected in their use of the negotiation strategies. 1SS and 2SS have a similar distribution of integrative strategies though 2SS is marginally more integrative. This is also reflected in the frequency of its reciprocal behaviours. However 1SS tends to focus its distributive strategies on defensive behaviours while 2SS focuses more on the offensive behaviours. 3SS is not only the least integrative of the Singaporean-Singaporean negotiations, but it is also the most offensive. While the overall development of the strategies varies from negotiation to negotiation, they all tend to conclude with a relatively high proportion of offensive behaviours.

Although 3SS is a generally more distributive negotiation than 1SS, their employment of bargaining behaviours is similar, concentrating largely on the Persuasive Self-supporting arguments rather than on Provide Information. This behaviour tends to be used less by the buyers. Just as Provide Information behaviour is an essential element of the *grounded* strategy, it is possible that the Persuasive behaviours are an inherent part of the *reiterative* strategy, and its uneven distribution an indication of its distributive character. In contrast to 1SS and 3SS, 2SS has a lower percentage of Persuasive Self-supporting behaviours and a higher percentage of Provide Information behaviours (though in lower proportion to the British-British negotiations).

Bargaining arenas in the *reiterative* strategy emerge during the bargaining process, and are seldom developed prior to bargaining. Furthermore, instead of concentrating on the exchange of information in order to develop the bargaining arenas, the negotiators focus more on the repeated use of persuasive behaviours. Issues that can be potentially developed into a bargaining arena are identified in the opening stages of the *bargaining* rather than during the *review* Transactions. There is also less dependence on substantive issues to elicit movement. Instead the negative realisation of the solidarity issue plays a larger role, particularly in the *resolution* phase, in getting the negotiations to settlement point.

Generally speaking, the interactions are not positively rated by the negotiators, especially when compared to the British-British ratings. This is illustrated in Figure 5. The combined total ratings¹² for the latter's responses to bargaining tactics is 113 compared to the Singaporean-Singaporean total of 73 (of a possible 150); the total ratings for the British-British responses of their partners' attitudes is 151 compared to the Singaporean-Singaporean total of 93 (of a possible 180). It is only the responses to communication that the Singaporean-Singaporean negotiations are rated relatively more positively; they have a total rating of 69 compared to the British-British rating of 78 (of a possible 90).

FIGURE 5: Combined Total Responses for Ratings to Bargaining Behaviours, Communication and Attitude to Partner

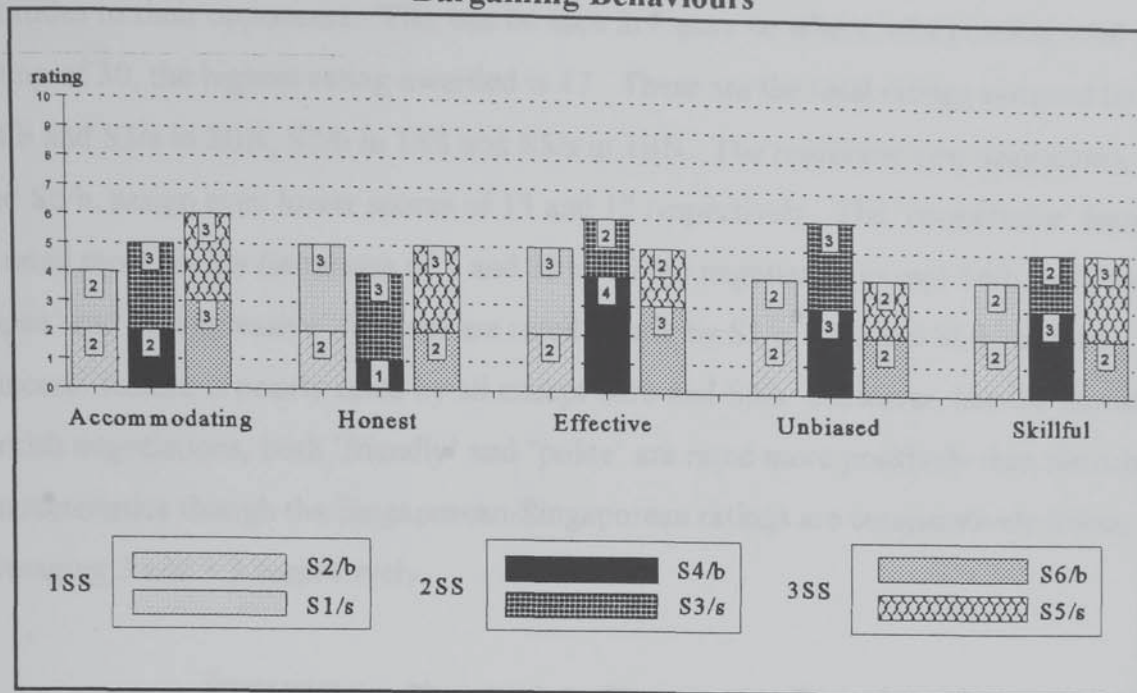


Looking at the specific responses to bargaining tactics (see Figure 6a), 1SS is the least positively rated of the Singaporean-Singaporean negotiations with S1/s giving a rating of 12 and S2/b a rating of 10, the lowest in the group. The latter's rating is the result of the low scores he assigns all six features. 2SS and 3SS are rated marginally more positively. Both S4/b and S3/s rate the bargaining tactics in 2SS at 13 each. Both negotiators have clearly dissimilar views as to how 'honest' and 'effective' each other's bargaining behaviours are. S4/b gives an extremely low rating of 1 for his opponent's honesty. As for effectiveness, S4/b awards his opponent 4, the highest rating assigned in the whole group, while S3/s gives S4/b a rating of 2.

¹²

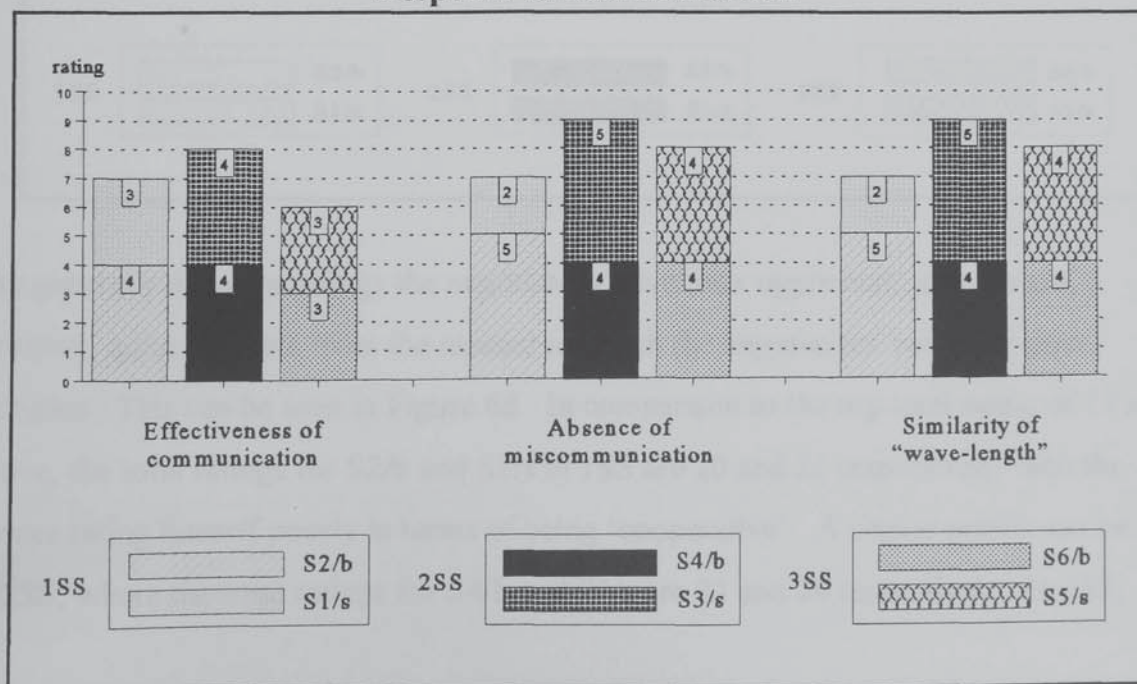
This is the sum of the buyers' and sellers' responses of all the items in all the negotiations.

FIGURE 6a: Singaporean-Singaporean Negotiators' Responses to Bargaining Behaviours



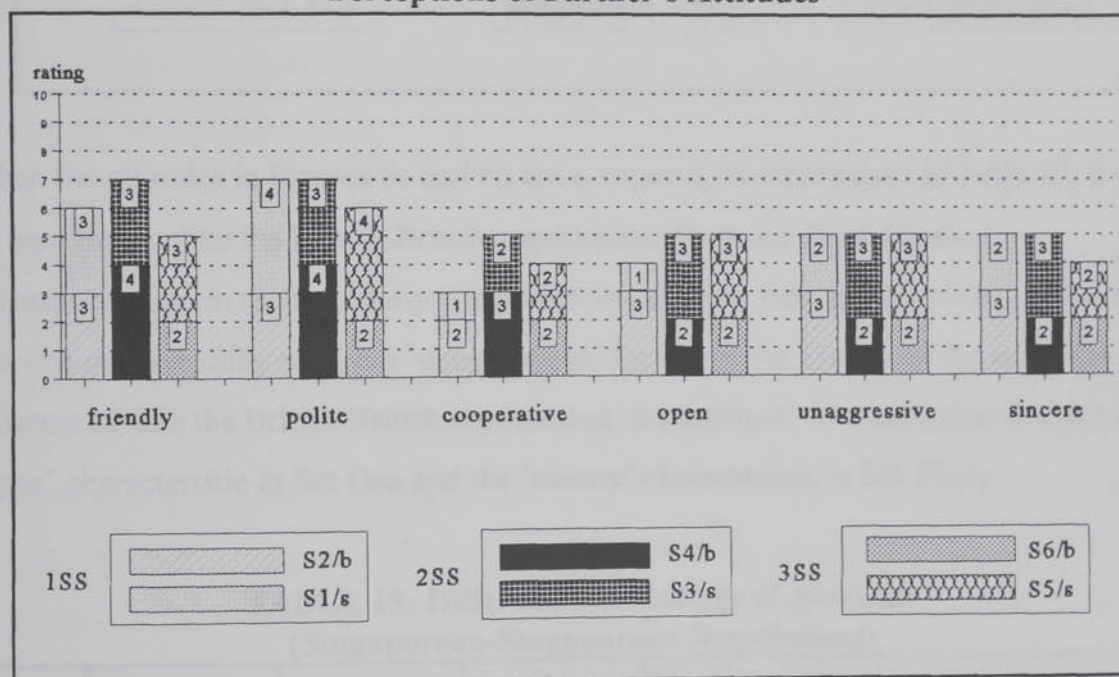
The Singaporean-Singaporean responses to communication are more positive. As can be seen in Figure 6b, this is particularly true of 2SS whose negotiators S4/b and S3/s give total ratings of 12 and 14 respectively of a possible 15. In 3SS, both S6/b and S5/s give identical ratings to all three items, assigning the lowest rating to the 'effectiveness of communication'. Finally, with 1SS, the negotiators give significantly different ratings to communication. S2/b gives an almost perfect rating of 14 while S1/s gives a rating of 7.

FIGURE 6b: Singaporean-Singaporean Negotiators' Response to Communication



The negotiators' negative perceptions of the negotiations are also reflected in their attitudes to their opponents. This can be seen in Figure 6c where, of a possible total rating of 30, the highest rating awarded is 17. These are the total ratings assigned by each S4/b and S3/s in 2BB, S2/b in 1SS and S5/s in 3BB. The remaining two negotiators, S1/s and S6/b, assign even lower scores of 13 and 12 respectively. The 'cooperative' feature is rated most poorly (ie ratings of 1 and 2) by all the negotiators except S4/b; both the 'open' and 'unaggressive' features are rated poorly by S1/s, S4/b and S6/b; and the 'sincere' feature is poorly rated by all except S2/b and S3/s. However, like the British-British negotiations, both 'friendly' and 'polite' are rated more positively than the other characteristics though the Singaporean-Singaporean ratings are comparatively lower, averaging 3 and 3.3 respectively.

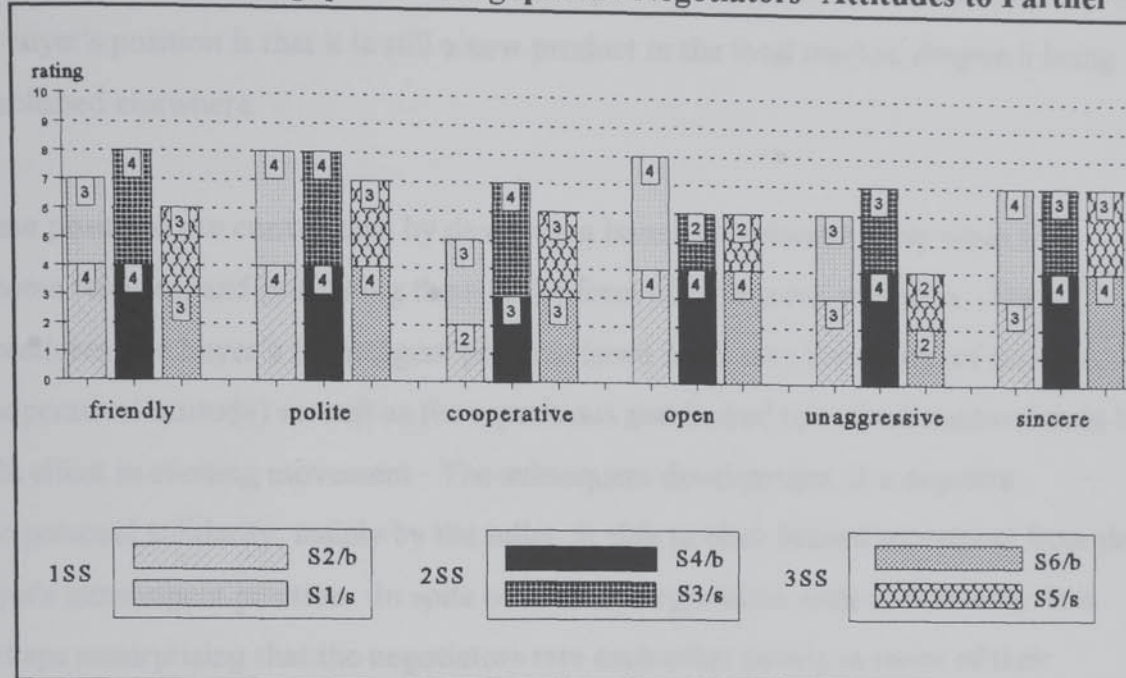
FIGURE 6c: Singaporean-Singaporean Negotiators' Perceptions of Partner's Attitudes



The generally negative ratings the negotiators' give their opponents' attitude are, however, quite different from the manner in which the negotiators' rate their own attitudes. This can be seen in Figure 6d. In comparison to the top total rating of 17 seen above, the total ratings for S2/b and S1/s in 1SS are 20 and 21 respectively, with the former rating himself poorly in terms of being 'cooperative'. A similar profile can be seen in 2SS, where the total ratings for S4/b and S3/s are 23 and 20 respectively. In 3SS,

S6/b's total rating is 20, but S5/s's is 16. Both these negotiators rate themselves poorly in terms of being 'unaggressive'.

FIGURE 6d: Singaporean-Singaporean Negotiators' Attitudes to Partner



When the attitudes in Figures 6c and 6d are compared, as summarised in Table 15, it can be seen that, unlike the British-British negotiations, there are fewer identical correspondences in the negotiators' attitudes and the way they are perceived. There is just one positive difference, the 'unaggressive' feature in Set Three. All the same, the differences, like the British-British negotiations, are minimal. The exception is again the 'open' characteristic in Set One and the 'sincere' characteristic in Set Three.

**TABLE 15: Differences in Ratings of Attitudes
(Singaporean-Singaporean Negotiations)**

Set	Friendly			Polite			Cooperative			Open			Unaggressive			Sincere		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
Buyer	-1	-1	0	0	-1	0	-1	-1	-1	-3	-1	-1	-1	-1	+1	-1	-1	-2
Seller	0	0	-1	-1	0	-1	-1	-1	-1	-1	0	0	0	-1	0	-1	-1	-1

It is interesting to note that both 1SS and 3SS use similar procedures and that they are also rated more poorly than 2SS. Looking more closely at 1SS, the negotiators' negative ratings appear to reflect the development of the negotiation itself. Although the issues of quantity and status dominate the negotiation, neither of them are successfully developed

into a bargaining arena largely because the negotiators were unwilling or unable to find common ground. With the quantity issue, the seller's position is for an initial small order, while the buyer's is for larger orders. With the status issue, the seller's position is that his is an established product in other markets, despite its being new in the local market, while the buyer's position is that it is still a new product in the local market, despite it being established elsewhere.

These positions are constructed by developing issues as *rationales* only when they become relevant, and presenting them in the form of *reiterative* strategies. These procedures, the buyer's intransigent position (seen in his own low rating of the 'cooperative' attitude) as well as the repetitious and limited use of substantive issues has little effect in eliciting movement. The subsequent development of a negative interpersonal solidarity, mainly by the seller, is able to elicit limited movement from the buyer's intransigent position. In spite of this, the negotiation ends in deadlock. It is perhaps unsurprising that the negotiators rate each other poorly in terms of their bargaining behaviours.

As far as the responses to communication are concerned, there is a significant difference in the ratings given by the buyer and the seller in 1SS. The seller rates the 'absence of miscommunication' and 'similarity of wave-length' at 2, while the buyer rates them at 4 of a possible 5. The analysis of the rhetorical and interactional procedures indicates that these procedures are shared by both negotiators and thus do not explain the seller's ratings. While it is possible that other procedures, not covered in the scope of this study, could account for these ratings, the explanation could lie in the seller's handling of the quantity issue, discussed in section 4.3.1.2, where the seller appears to call the buyer's bluff. However, to the former's disadvantage, the latter responds to the positioning set up by the seller, who subsequently spends much effort trying unsuccessfully to recover from the disadvantageous position he finds himself in.

Where 3SS is concerned, the negotiators use similar rhetorical and interactional procedures as those found in 1SS. The status issue, identified as an issue of common interest in the opening stages of the *bargaining* Transaction, also dominates the negotiation. As with 1SS, there is little success in establishing a bargaining arena where

the central issue is concerned. The seller's position is that his high prices are justified by the differentiated nature of his products, while the buyer's position is that the differentiated products will not sell because of the availability of cheaper substitutes. Neither argument is able to elicit movement from either party. It is the subsequent introduction of the contract length issue which is able to gain the seller some movement on the buyer's part. However, the issue is not developed into a bargaining arena, but is instead simultaneously employed with the extensive use of the solidarity issue to gain further movement.

As would be expected, the negotiators' ratings of bargaining tactics (Figure 6a) are very similar to those assigned by the 1SS negotiators. The characteristic that is rated most differently is 'accommodating', which is rated more positively than it is in 1SS. The slightly more positive rating can be explained by the fact that the negotiators eventually did move from their initial positions, unlike those in 1SS. In contrast to 1SS, the ratings for communication are also generally more positive. Both 'absence of miscommunication' and 'similarity of wave-length' are rated positively. However, 'effectiveness of communication' is given a neutral rating by both negotiators, which could be a reflection of the highly repetitive nature of the interactional procedures.

2SS is slightly different from the preceding negotiations because it employs a larger proportion of Provide Information behaviours in the *initiation* and *problem-solving* phases and more Persuasive Self-supporting behaviours in the *resolution* phase. This reflects a more *grounded* strategy in the earlier sections of the negotiation which is supported by the relatively longer *review* Transactions characteristic of the Transaction structure found in the British-British negotiations. Interestingly, this is also the Singaporean-Singaporean negotiation with the most positively rated responses to communication, despite it also being the negotiation with the most unequal outcome¹³.

Although these procedures help establish a bargaining arena based on the issues of customer profile (determining the quality) and quantity, the arena is limited both in scope and development. In fact, both issues are used as part of the proposals (price x for a y

13

See Appendix A.

quality and z quantity) rather than as *rationales* to support the proposals. In this sense, they are used reiteratively during the negotiation which consists mainly of price proposals and counterproposals. Movement is eventually elicited with the aggressive use of the solidarity issue on the part of the buyer.

Despite the more positive ratings for communication, the ratings for the bargaining behaviours are similar to the other Singaporean-Singaporean negotiations. This could be due to the slightly more offensive behaviours employed, particularly in comparison to 1SS. However, it is also likely that the negotiators were not equally matched in terms of ability and that the seller is significantly more influential in this negotiation. This is supported by the buyer rating the seller positively in terms of being 'effective' in the use of the bargaining behaviours. At the same time, the seller rates the buyers' bargaining behaviours negatively in terms of the 'effective' and 'skilful' characteristics (see Figure 6a).

In accounting for the rhetorical procedures used by the Singaporean-Singaporean negotiations, it is useful to consider Hofstede's profile of the eastern mind. In contrast to the western pattern of logic referred to earlier, which is based on the premise that a statement excludes its opposite, eastern logic admits that "[i]f A is true, its opposite B may also be true, and together they produce a wisdom which is superior to either A or B. This is sometimes called the complementarity of *yang* and *yin*, using two Chinese characters which express the male and the female elements present in all aspects of reality. Human truth in this philosophical approach is always partial" (Hofstede, 1991:171).

Hofstede goes on to show how this mind set has allowed the economies of the east to develop once the technologies of the west became available. He asserts that "[s]cience may benefit from analytical thinking, but management and government are based on the art of synthesis ... [w]hat is true or who is right is less important than what works ..." (ibid:171). Although it would appear that the Singaporean-Singaporean rhetorical procedures do not 'work' in terms of being as effective as those identified in the British-British negotiations, the procedures do reflect a pragmatic mentality that makes use of whatever issues emerge as being expedient or appropriate in order to develop a position. What is clear though is that the development of the issues in the long, seamlessly woven

Exchange structures of the *bargaining* Transactions does appear to reflect the synthetic nature of eastern thinking.

Apart from the rhetorical procedures, another feature that recurs in all the negotiations is the dependence on the negative use of the solidarity issue and the overall negative attitudes the negotiators have of each other. There are two possible reasons which could account for this. Firstly, in contrast to Britain, Singapore is much lower on the IDV index and is ranked joint 39/40/41 of 53 countries¹⁴ and thus could be considered to have a collectivist culture. Collectivist societies tend to be ones in which “people from birth onwards are integrated into strong and cohesive ingroups ...” (Hofstede, 1991:51). An individual’s identity is based much more on the social network to which he or she belongs. This issue is related to the fact that collectivist societies also tend to be ‘high context’ societies (ibid:60) where information is often found in the person and/or the context. Because the role-play negotiations do not take place in the context of a social network, it could explain the ‘no-holds barred’ approach the negotiators appear to adopt in their negotiations.

In addition to the above, an alternative or related secondary reason could be the highly competitive nature of Singaporeans. In terms of the five dimensions of culture, this aspect of a culture is discussed in the Masculinity dimension, which is basically concerned with preference for assertiveness versus modesty in a culture (Hofstede, 1991:79). Examples of masculine traits as compared to feminine traits are “performance society is ideal” versus “welfare society is ideal”; “corrective society” versus “permissive society” (ibid:103); “failing in school is the norm” versus “failing in school is a minor accident”; “dominant values in society are material success and progress” versus “dominant values in society are caring for others and preservation” (ibid:96).

Many of the masculine characteristics that Hofstede describes appear to profile Singapore more closely than it does Britain. However, according to Hofstede’s data, Singapore is ranked 28 compared to Britain’s joint 9/10 position¹⁵, which would imply that Singapore

¹⁴ See Appendix D1.

¹⁵ See Appendix D2.

is a relatively more feminine culture than Britain. It is possible that other influencing factors, eg. "everybody is supposed to be modest" (ibid:96), could account for Singapore's relatively more feminine ranking. At the same time, it is also possible that with economic development, Singapore culture is more masculine today than it was in the 1970s, the period during which Hofstede's data was collected¹⁶.

Anecdotal evidence of Singapore's highly competitive society is reflected in the Hokkien term *kiasu*, which literally means 'afraid to lose out'. An example of *kiasu* behaviour, reported in the local press at one time, is illustrated by diners at buffet meals (which charge one price no matter how much is consumed) taking much more than they could eat. This caused so much wastage that some restaurants instituted a surcharge, calculated by weight, on any unconsumed food. In recent years, the *kiasu* trait has been raised to semi-cult status in the form of a comic book character called Mr. Kiasu, who now appears on badges, bumper stickers, mugs, and stationery, and who also endorses McDonald's hamburgers.

Thus, the negative ratings of the Singaporean-Singaporean negotiations appear not to be caused by the discourse procedures employed. Neither do they appear to be the result of inaccurate perceptions of each others' intentions. The main cause appears to be the negative perceptions the negotiators have of each other and a lack of goodwill. These attitudes in turn are possibly caused by the highly competitive nature inherent in many Singaporeans, which is further compounded by the lack of a broader social context. The accountability and long-term orientation required in 'real' business relationships might have softened the hard win-lose stance adopted by the Singaporean negotiators.

4.4.3 The British-Singaporean Negotiations

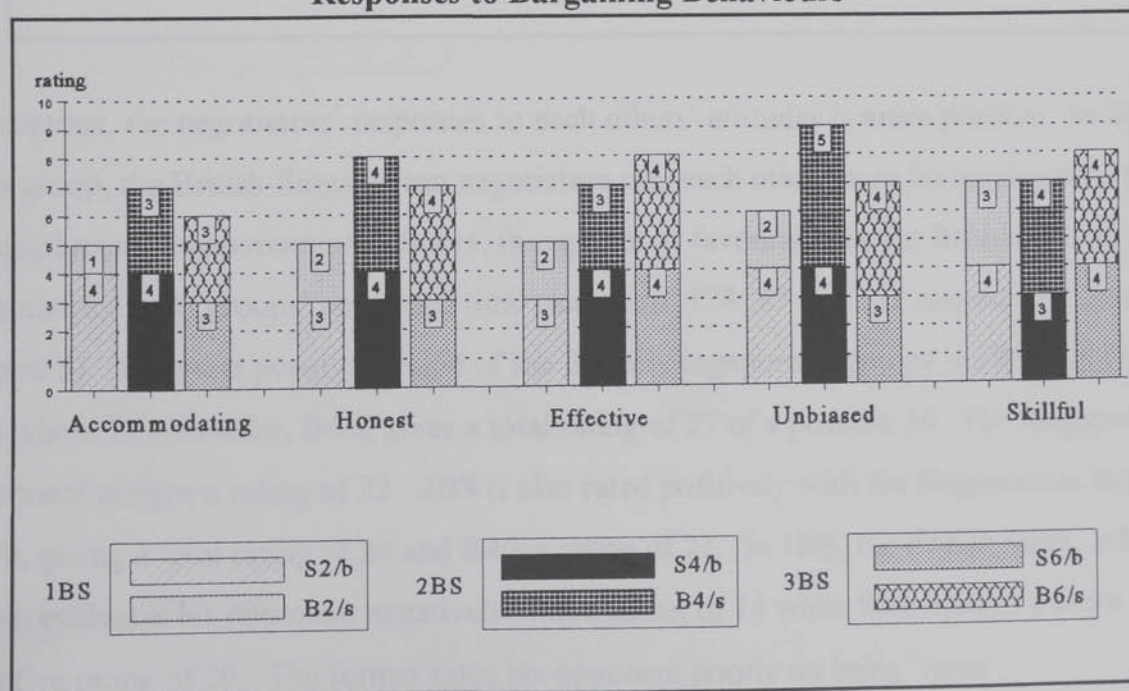
Of the three intercultural negotiations, 2BS is the most integrative in character with an equal distribution of offensive and defensive strategies. It also has the highest levels of

¹⁶ The other indices still appear to reflect current profiles, at least for Singapore, as they are less influenced by economic development. For instance, Singapore's preference for a paternalistic approach of government accurately reflects Singapore's high ranking on the Power Distance Index (see Appendix D4). Similarly, the dependence of the individual on the extended family also reflects a largely collectivist culture and affirms the accuracy of Singapore's low IDV ranking.

reciprocal behaviour along with 3BS. In comparison, 1BS and 3BS tend to be more distributive, but they also use fewer offensive and more defensive strategies. As far as the development of the strategies over time are concerned, they all follow the same pattern of balancing increasing offensive strategies with increasing integrative strategies, with the exception of 2BS whose integrative strategies tend to decrease after an initial increase. 1BS and 2BS conclude their negotiations with a high percentage of offensive strategies, similar to the Singaporean-Singaporean negotiations, while 3BS concludes with a more even distribution of strategic behaviours, similar to the British-British negotiations.

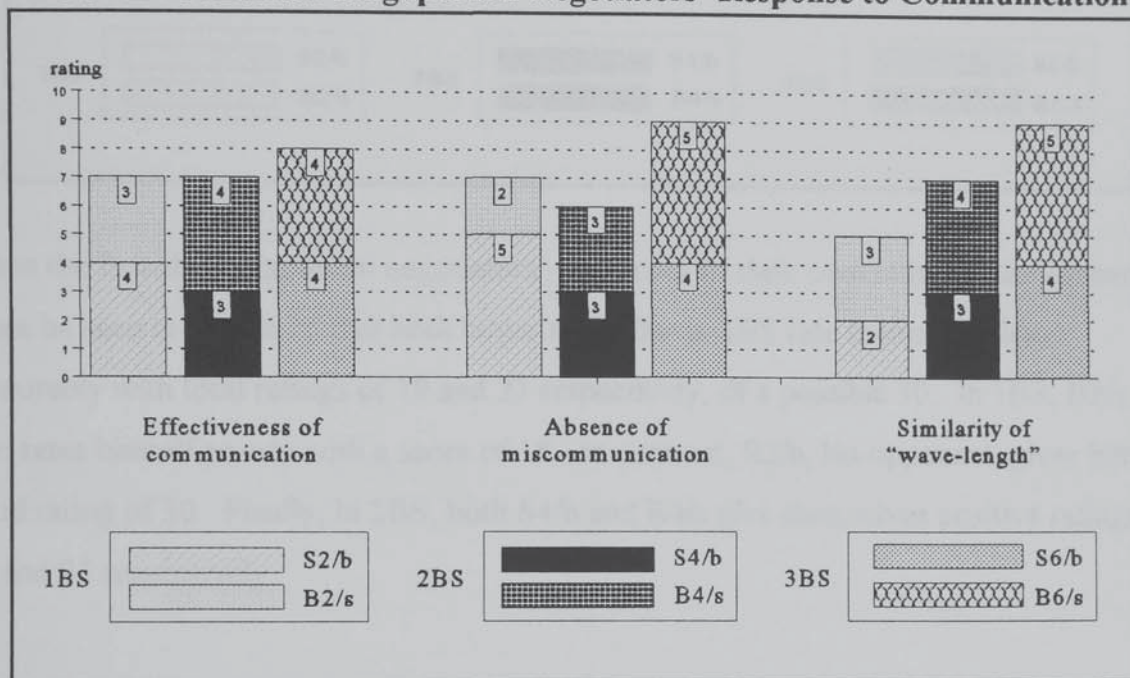
These behaviours are responded to favourably by the British-Singaporean negotiators, as can be seen in their responses to bargaining behaviours in Figure 7a. 2BS, the most integrative of the negotiations, is also rated the most positively. Of a possible total of 25, both S4/b and B4/s give ratings of 19 each. 3BS is also rated positively with S6/b and B6/s rating the bargaining behaviours at 17 and 19 respectively. Unlike the above negotiations, 1BS is rated very differently by buyer and seller: S2/b rates the negotiation favourably at 18 as compared to B2/s' much lower rating of 10. When the specific features in 1BS are looked at more closely, all the features are given consistently negative ratings by B2/s except for 'skilful'.

FIGURE 7a: British-Singaporean Negotiators' Responses to Bargaining Behaviours



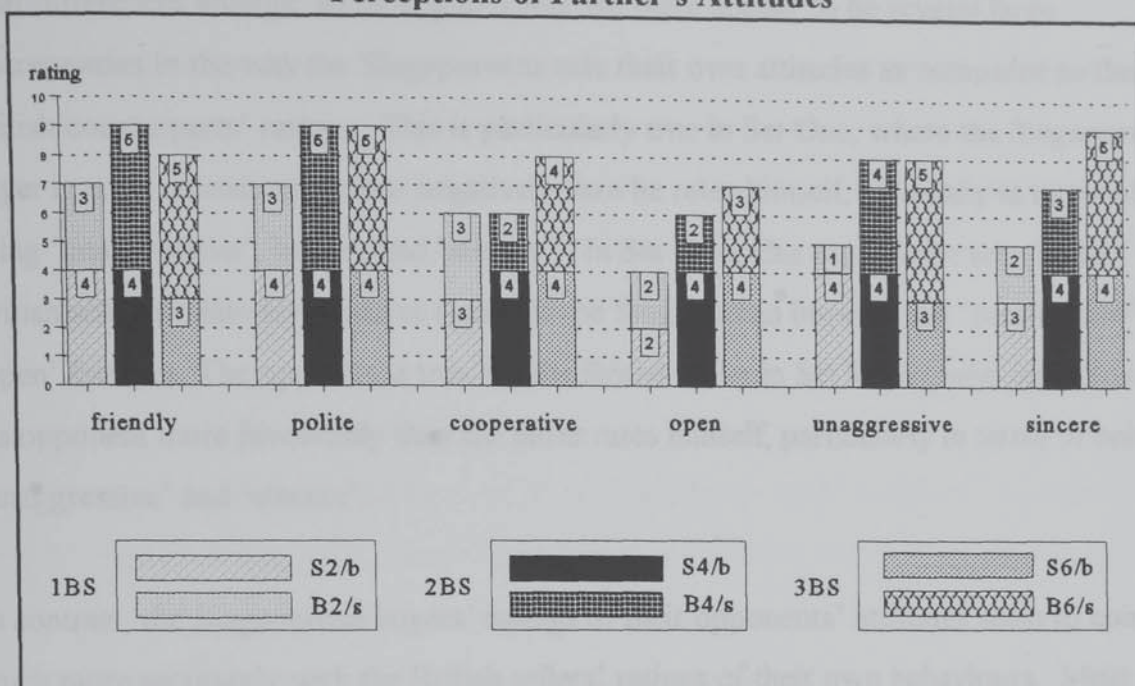
The British-Singaporean negotiators' responses to communication are the least positively rated as compared to the other two groups of negotiations. Referring to Figure 7b, it can be seen that both 1BS and 2BS are rated more negatively than 3BS. In 1BS, it is again B2/s who gives the lowest rating, 8 of a possible 15, while his opponent gives a rating of 11. The former rates 'absence of miscommunication' particularly unfavourably while the latter rates 'similarity of wave-length' unfavourably. In 2BS, it is the Singaporean negotiator, S4/b, who gives the lower rating of 9 as compared to B4/s's 11. 3BS is rated most positively with S6/b and B6/s giving ratings of 12 and 14 respectively.

FIGURE 7b: British-Singaporean Negotiators' Response to Communication



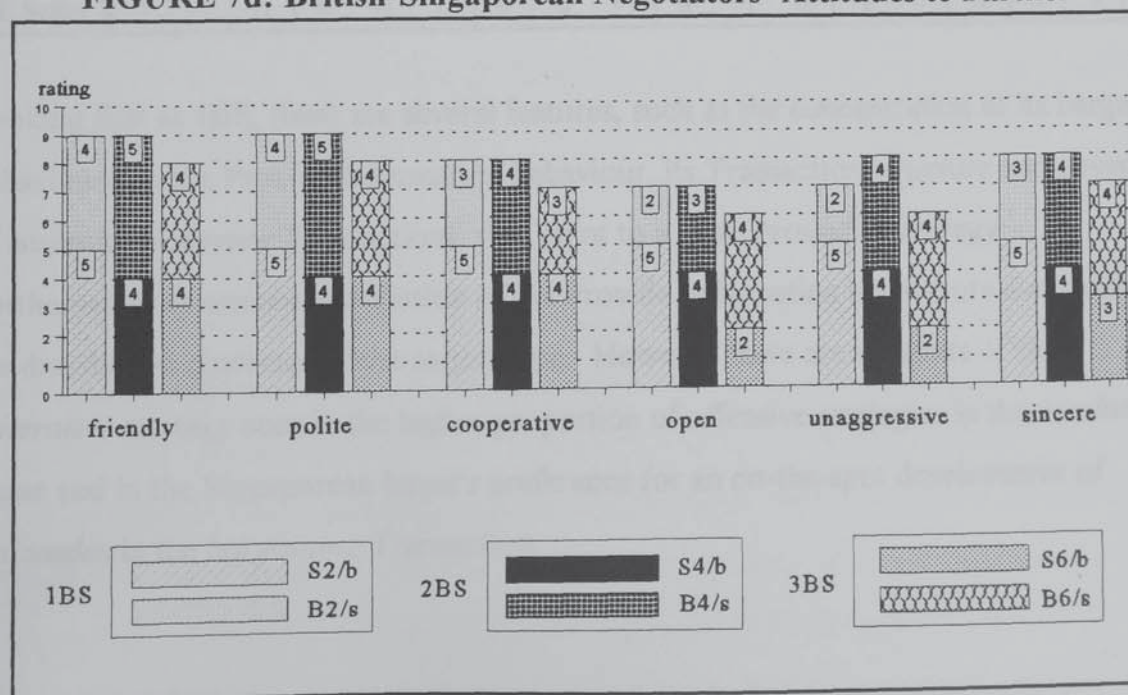
In contrast, the negotiators' responses to each others' attitudes is more positive. In fact, as a group, the British-Singaporean negotiators rate each other more favourably than the Singaporean-Singaporean negotiators, though not as favourably as the British-British negotiators: each groups' combined total ratings are 128, 93 and 151 respectively (see Figure 5). The most positively rated of the British-Singaporean groups is 3BS (see Figure 7c) whose British seller, B6/s, gives a total rating of 27 of a possible 30. His Singaporean opponent assigns a rating of 22. 2BS is also rated positively with the Singaporean buyer, S4/b, giving a total rating of 24 and B4/s a rating of 21. In 1BS, the British seller, B2/s, again evaluates his opponent negatively with a rating of 14 while S2/b assigns a more positive rating of 20. The former rates his opponent poorly on being 'open', 'unaggressive' and 'sincere', while the latter rates the former negatively on being 'open'.

FIGURE 7c: British-Singaporean Negotiator's Perceptions of Partner's Attitudes



When the British-Singaporean negotiators' responses to their own attitudes are examined, it can be seen in Figure 7d that both buyer and seller in 3BS rate themselves less favourably with total ratings of 19 and 23 respectively, of a possible 30. In 1BS, B2/s also rates himself poorly with a score of 18. In contrast, S2/b, his opponent, gives himself a full rating of 30. Finally, in 2BS, both S4/b and B4/s give themselves positive ratings of 24 and 25 respectively.

FIGURE 7d: British-Singaporean Negotiators' Attitudes to Partner



When the negotiators' attitudes and those perceived by their opponents' are compared, clear differences emerge. Referring to Table 16, there appear to be several large discrepancies in the way the Singaporeans rate their own attitudes as compared to their British counterparts' ratings. This is particularly true in Set One, where the Singaporean buyer is rated consistently more negatively than he rates himself, especially in terms of being 'unaggressive', 'open', and 'sincere'. In Set Two, this can also be seen in the British seller's relatively negative rating of the Singaporean buyer in the 'cooperative' and 'open' features. The opposite is true for the British seller in Set Three, who tends to rate his opponent more favourably than the latter rates himself, particularly in terms of being 'unaggressive' and 'sincere'.

In contrast, the Singaporean buyers' ratings of their opponents' attitudes seem to coincide much more accurately with the British sellers' ratings of their own behaviours. Most of the discrepancies are differences of one, with the only exception being in Set One, where the British seller is rated more favourably in terms of being 'unaggressive' than he rates himself.

TABLE 16: Differences in Ratings of Attitudes (British-Singaporean Negotiations)

Set	Friendly			Polite			Cooperative			Open			Unaggressive			Sincere		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
SE Buyer	-2	+1	+1	-2	+1	+1	-2	-2	0	-3	-2	+1	-4	0	+3	-3	-1	+2
BE Seller	0	-1	-1	0	-1	0	0	0	+1	0	+1	0	+2	0	-1	0	0	0

Looking first at 1BS, there are several features, such as the concentration of its bargaining behaviours on the Provide Information behaviour, its Transaction structure and coverage of issues in the *review* Transactions, that point to a basic *grounded* strategy.

Furthermore, its uneven distribution of the Provide Information behaviours also indicates the distributive character of the negotiation. However there are elements of the *reiterative* strategy seen in the higher proportion of offensive strategies in the *resolution* phase and in the Singaporean buyer's preference for an on-the-spot development of *rationales* in the *bargaining* Transaction.

These differences result from the disparate perceptions of how the bargaining arena on pricing differentials is to be employed. The British seller sets up the bargaining arena, with the cooperation of the Singaporean buyer, based on the argument that customised products will cost more because of different promotional costs. However, when he proceeds to base his price proposals on this position, the Singaporean buyer is reluctant to participate on this basis, which is apparent from the evasive manner he responds to the proposals. When compelled to respond to a direct request, he simply proposes his own prices, using as his *rationale* a recast of the position set up on the price differentials.

The subsequent rhetorical development of the negotiation tends to follow a *reiterative* strategy with the Singaporean buyer aggressively questioning the British seller's pricing structure. The latter is thus coerced into adopting the *reiterative* strategy when he is obliged to introduce new issues (such as production and quantity) as *rationales* during the *bargaining* Transaction to reinforce his position. A further element of the *reiterative* strategy is observed in the *resolution* phase when the buyer introduces the solidarity issue in order to elicit further movement.

According to the responses provided by the negotiators, this is clearly the negotiation with the greatest disparity in their ratings. Although the bargaining behaviours employed could account for the Briton's negative ratings, communication is also a likely cause. This can be seen in the negotiators' responses to communication, probably caused by the intersection of the dissimilar *grounded* and *reiterative* strategies. The difficulties are also reflected in the British negotiator's difficulty in accurately perceiving his counterpart's attitude towards himself (the Briton).

The next intercultural negotiation to be examined, 2BS, also has elements of both rhetorical strategies although the *reiterative* strategy tends to predominate. Features of a *reiterative* strategy can be seen in the higher concentration of bargaining behaviours on Persuasive Self-supporting arguments than on Provide Information, the high level of offensive strategies in the *resolution* phase, and the frequent occurrence of the solidarity issue. On the other hand, elements of the *grounded* strategy can be found in the *review* Transaction which is relatively short and consequently limits the development of bargaining arenas prior to the *bargaining* Transaction. The *grounded* element can be

observed in the British seller's "interruption" of a *bargaining* Transaction to initiate a *review* Transaction in an attempt to develop a bargaining arena independent of the bargaining process.

Even though different rhetorical strategies are employed, settlement point in this negotiation is reached relatively easily. This is largely due to the British seller's ability to adapt to the *reiterative* strategies the Singaporean buyer uses. This can be seen in his cooperative development of the solidarity issue, as well as his tolerant response to the Singaporean buyer's negative realisation of the solidarity issue questioning the seller's autonomy. At the same time, the seller also attempts to re-establish a more *grounded* strategy when he "interrupts" the *bargaining* Transaction with a *review* Transaction in an attempt to develop a bargaining arena. He is partially successful as the payment issue he introduces at this point provides the basis for subsequent proposals and counter-proposals.

This negotiation is rated relatively favourably by both negotiators in terms of the bargaining behaviours employed. However, the Briton's negative rating of his opponent in terms of being 'cooperative' and 'open' could indicate his unease with the limited development of the *review* Transactions. Despite this, his rating of communication is favourable. The Singaporean negotiator, on the other hand, is more equivocal in his response to communication. This could result from his attempts in an opening Exchange to set up a common orientation to a "Chinese business context" (2BS:36). His attempts are largely unsuccessful and at the end of the Exchange when he comments "looks like we may be able to do business after all ah", the Briton responds with "well/ could be" (2BS:46,47).

The final intercultural negotiation, 3BS, uses almost entirely *grounded* strategies. This is reflected mainly in the extensive *review* Transaction and the development of clear bargaining arenas which provide *rationales* for subsequent proposals. It also has a similar distribution of strategic behaviours over the three phases as well as a similar employment of specific strategic behaviours as 3BB. Where the Provide Information and Persuasive Self-supporting behaviours are concerned, these are used in almost equal measure. The relatively high proportion of the latter behaviour indicates that the *reiterative* strategy is

also used. Although there is also an uneven distribution of the Provide Information and Persuasive Self-supporting behaviours between buyer and seller, an indication of a comparatively distributive negotiation, the negotiators arrive at a settlement point without difficulty.

The ease with which the negotiators arrive at the outcome is influenced by the *grounded* strategy they employ in setting up a bargaining arena based on the issues of pricing and relationship. Their handling of the former issue is similar to the way in which the negotiators in 2BB develop a parallel positioning on the juice product. In this case the Singaporean buyer bases his pricing of the sardine product on the availability of a cheap, established competitor while the British seller bases his pricing on the shelf prices in the buyer's supermarket.

This parallel positioning does not prove to be a problem because it is also linked to another jointly developed position on the relationship issue; that a future business relationship can develop if this deal proves to be successful. In addition to this clearly *grounded* rhetorical development, there is also evidence of the *reiterative* strategy in the buyer's repetitions of his positioning on the pricing issue. However, unlike the Singaporean buyers in the other intercultural negotiations, his use of the strategy is not dependent on the solidarity issue.

Even though the negotiation had elements of both *grounded* and *reiterative* strategies, the positive responses to communication by both negotiators indicate that the negotiators adapted well to each others' communication styles. They also rated the bargaining behaviours favourably, rating them highly as being 'effective' and 'skilful'. The successful and generally positive climate of the negotiation is also seen in the favourable responses the negotiators had towards each others' attitudes.

The lower ratings for communication in the intercultural negotiations are possibly caused by the intersecting *grounded* and *reiterative* procedures employed by the British and the Singaporeans respectively. As discussed earlier, these differences in procedures reflect the different patterns of logic followed by eastern and western minds. However, these patterns of logic, in turn, reflect the basically different orientations east and west have

towards the concepts of Virtue and Truth. According to Hofstede, western minds value Truth “with a capital T” (Hofstede, 1991:131), as reflected in the main religions of Christianity, Judaism and Islam. These religions “share the assumption that there is an absolute Truth which excludes all other truths” (ibid).

In contrast, the eastern philosophies have no assumption “that there is a Truth which a human community can embrace”. Instead, the value of a person lies “not in believing, but in ritual, meditation, or ways of living”. From this perspective, what one believes “is an irrelevant question in the east. What one *does* is important” (Hofstede, 1991:171; emphasis in original). Thus these fundamental differences could explain why, even though both the Singaporean negotiators in 2BS and 3BS are able to accommodate their discourse procedures to adopt a more *grounded* style, they do not appear to feel comfortable with it (as reflected in their less positive responses to communication). To an extent, this is also true of the British negotiator in 1BS, who is also the one who tends to make the accommodations in his interaction.

A factor that could influence the level of accommodation is the negotiators’ ability to ‘read’ each others’ attitudes. Generally speaking, the Singaporean negotiators appear to be better able at doing this than their British counterparts, as reflected in Table 16, while the British negotiators are clearly less successful in perceiving their Singaporean counterparts’ attitudes. This could possibly be due to Singaporeans being relatively more exposed to British procedures through education and the media than vice versa. However, familiarity with the other party’s procedures alone is not enough. Although the Singaporean negotiator in 1BS appears to be able to read his counterpart, he also appears to be unaware of the effect of his own behaviours on his partner. This could also be a contributory factor to his negotiation being particularly unsuccessful, especially when compared to 2BS and 3BS.

Another point worth noting is the Singaporean negotiators’ generally more positive outlook in these intercultural negotiations as compared to their intracultural encounters. This can be seen by the fact that they all rate themselves as being more ‘cooperative’ as compared to their intracultural negotiations (see Figures 6d and 7d). A possible reason for this behaviour could be that, because they are interacting with individuals who do not

share their culture, they have fewer expectations of a shared social context, a critical element in 'high context' communication. In fact, in the case of 2BS and 3BS, it would appear that a conscious effort is made to make the implicit explicit by talking specifically about the "Chinese business context" and building long-term relationships into the bargaining. This was something that was not done in either of these negotiators' intracultural negotiations as they would perhaps have considered it unnecessary or inappropriate to bring up such issues.

How positively the negotiations are perceived also depends on the participation of the British negotiators in dealing with this issue. In 2BS, where the issue is not successfully taken up, the communication is less favourably rated than 3BS. However, in 3BS, the Briton actively cooperates in the building of the relationship issue, and this could influence the positive ratings both negotiators give to communication. Where 1BS is concerned, the issue is not considered by either party, which could account for the low ratings both give to their responses on 'similarity of wave-length'.

Despite these differences, all the negotiators nevertheless adapt their procedures to each other and are able to come to agreement with a relatively high level of satisfaction. The comparative ease with which they are able to do so can be partially accounted for in terms of the Uncertainty Avoidance dimension. Both Singapore and Britain have low scores in this index: Singapore is ranked in position 53 compared to Britain's joint 47/48¹⁷. According to Hofstede, cultures scoring low in this index tend to be tolerant of differences; they perceive what is different as being "curious" rather than "dangerous" (Hofstede, 1991:133).

¹⁷

See Appendix D3.

CHAPTER FIVE

CONCLUSION

The research presented in the preceding chapters suggests a framework of procedures from which to understand both intercultural and intracultural business negotiations. Three specific procedures, the negotiation strategies, the rhetorical strategies and the interactional procedures were examined. From the analysis, it was possible to characterise each of the negotiations and to identify features to account for their success or lack of it.

To conclude the study, the first section in this chapter reviews the framework in terms of its ability to identify features of intercultural discourse. This is followed by a brief comment on the findings themselves. The chapter concludes with a section suggesting areas for future research.

5.1 Assessing the Framework

From a theoretical perspective, the analytical framework used in this study is problematic given its attempt to integrate the communication studies' concept of Phase with a linguistic rank scale model. The difficulties lay in trying to merge the dynamic aspects of the Phase with the structured nature of the rank scale model. Nevertheless, Phase structure, in conjunction with the BPA II, proved to be a very useful concept in providing a broader perspective from which to understand the linguistic procedures.

The categorisation of the behaviours into integrative or distributive strategies, the development of these strategies over time, and the frequency, distribution, and reciprocal use of particular bargaining behaviours all not only afforded an insight into participants' goals and intentions, but also provided a characterisation of the negotiations. In turn, this

characterisation supplied a metalinguistic context from which to understand the interactions. For instance, in the case of negotiations which were rated poorly by the participants, the analyst is better able to understand the influence of the differing linguistic procedures on the one hand, and the conflicting intentions and goals on the other, on the responses to the negotiations.

As for the framework of linguistic procedures, the various procedures that were identified proved helpful in elucidating a highly complex activity and also provided an insight into how the negotiators organise their discourse in order to achieve their goals. At the rhetorical level, the framework illustrated how issues are identified as being of common interest and when these issues are developed into bargaining arenas. At the interactional level, it illustrated how the bargaining arenas are jointly developed, looking specifically at the development of substantive and interpersonal issues and their influence in moving the negotiation forward to settlement point. However, as with any approach that breaks the whole into parts, the delineating of the activity into different strands tends to oversimplify the complex inter-relatedness of the procedures.

In terms of the methodology that was used, it is evident from the discussion of the data in section 4.4 that the role-play caused unanticipated problems for the Singaporean-Singaporean interactions. It is possible that a better provision of a socio-cultural context in terms of relationships important in collective societies would have encouraged less distributive negotiations. This emphasis on the person is reflected in the basic Confucian belief, which influences Singaporean society to some extent, that human relations are the basis of society (Lin, 1938). Nevertheless, the linguistic procedures that have been identified are not likely to be affected. What would probably differ is the manner in which the substantive issues and the relational dimensions are developed and employed. This needs to be confirmed by applying the framework to an analysis of authentic data.

5.2 Assessing the Intercultural Negotiations

The analysis of the intracultural negotiations indicates clearly that Singaporean and British negotiators employ distinctly different linguistic procedures and have different approaches

to dealing with the negotiation task in terms of organising and presenting information and eliciting movement. At the same time, the intercultural negotiations show that, despite the differences, the negotiators adapt relatively easily to each others' styles.

Of the two rhetorical procedures, the *grounded* strategy appears to produce more satisfactory responses. This is evident not only in the intracultural British negotiations but also in 2SS (which is the only intracultural Singaporean negotiation with elements of this strategy) as well as 2BS and 3BS. One reason for this could be that the *grounded* strategy is more efficient in terms of time, and also because it tends to generate less contentious negotiations.

A contributing factor that also appears to affect the success of the negotiations is the negotiator's ability not only to correctly communicate intentions, but also to be aware of the effect his behaviours have on the other party. The intracultural British negotiations, the most highly rated of the negotiations, are good examples of intentions being accurately conveyed and perceived. A negative example can be found in the Set One intercultural negotiation, where the Singaporean buyer was not able to communicate his intentions accurately to his counterpart, and also appeared to be unaware of the effect of his behaviours. At the same time, the British seller in the negotiation also appeared to react strongly to his partner's strategies.

From the successful intercultural negotiations, it is clear that it is possible for individuals with differing linguistic procedures to reach outcomes that are satisfactory to both parties. Johnstone provides the best account for why this is possible. Although her comments refer specifically to persuasive strategies, they apply as well to the procedures described here and to all levels of intercultural communication:

"Any persuader has access to a range of persuasive strategies, and his or her choices of persuasive strategies, like his or her choices of words or grammatical structures, are made in the context of the interaction at hand. Culture may predispose certain choices over others, but it does not determine choices."

In explaining that intercultural problems also result when the goal of the communication becomes the desire to control the means of persuasion rather than to persuade per se, she comments:

"Problems like this are not simply the result of intercultural differences. At root, I think, they are the result of failures of good will, the will to adapt and understand."

(Johnstone, 1989:153,154)

To conclude this section, a number of suggestions follow for future research:

- Firstly, it is essential that the framework of analysis be applied to authentic data in order to establish if the strategies identified exist in actual negotiations and are not the result of the context of the role-play.
- Secondly, the analysis should be extended to include the other procedures proposed in this framework as these will undoubtedly provide further insights into the linguistic procedures involved.
- Thirdly, analysis of the data should be extended to examine the differences in buyer and seller behaviours and how these affect the deployment of power and the use of politeness.
- Fourthly, research of a more multi-disciplinary nature, incorporating both the negotiation and socio-psychological contexts, needs to be considered if a fuller understanding of intercultural negotiation discourse is hoped for.

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Total and Percentage Profits Generated

Negotiation	Total profits generated (\$)	Buyer percentage	Seller percentage
1BB	800,000	42.5	57.5
1BS*	1,040,000	58.7	41.3
1SS	-	-	-
2BB	770,000	63.6	37.4
2BS*	1,100,000	70.0	30.0
2SS	770,000	11.7	88.3
3BB	980,000	66.3	33.7
3BS*	1,130,000	62.0	38.0
3SS	800,000	62.5	37.5

Two different role-plays, one for the intracultural (RP1*) and another for the intercultural (RP2) negotiations, were used. The different situations allowed two possible optimum profit levels which are summarised below.

Possible profits for intracultural negotiations:

win/win \$520,000
win/lose \$800,000

Possible profits for intercultural negotiations(*):

win/win \$640,000
win/lose \$1,040,000

* See Appendix B for details about the role-play.

Background Information

Peninsula Supermarkets is a successful chain of supermarkets serving a mixed range of customers. They have three medium-sized stores in middle-to-high income (\$1000-3000+ per month) residential areas, as well as eight smaller convenience stores located in more middle-to-low income (\$800-2000 per month) areas. They also have a fair percentage of expatriate customers.

National Foods is an equally successful company that is agent for many well-known brands of food products. They also import some foods in bulk and package them according to the specifications of their clients. Although they have had dealings with many of the other supermarkets chains, this is the first time they will be doing business with Peninsula Supermarkets.

The following is some background information concerning criteria involved in the buying/selling of the three products which you may want to consider.

Tomato sauce

- Taste: locals tend to prefer a sweeter taste while expatriates prefer a more tart taste
- Colour: consumers tend to buy sauces that are reddish rather than orangey in colour
- Additives: expatriates tend to be more health conscious, but there are increasingly more locals who ask for additive-free brands

Instant coffee

- Taste: full-bodied blends are preferred to weaker blends with a slight sourish aftertaste
- Granules: larger granules tend to sell better than smaller, more powdery granules
- Brand image: advertising, marketing and product presentation are especially important where instant coffee is concerned

Frozen juice

- Quality: the ratio of juice to pulp is important; consumers prefer more juice than pulp
- Flavour: orange is the most popular, followed by grapefruit and lemon
- Additives: expatriates tend to be more health conscious, but there are increasingly more locals who ask for additive-free brands

In addition to discussing pricing, you may want to discuss credit terms and contract length.

Buyer Position Paper

For the purposes of the present role-play exercise, assume that you are the representative of Peninsula Supermarkets, a local chain of supermarkets. You are to meet, at a neutral location, a representative of National Food Manufacturers to purchase three types of food products: tomato sauce, instant coffee, and frozen juice. The status of the two companies is equal.

You purchase food from companies like National Food and then resell them in your supermarkets. Based on your cost and the sale price, it is possible for you to compute potential profits for reselling 1000 cases of tomato sauce, 1000 cases of coffee, and 1000 cases of juice. For the purposes of the present situation, you are concerned only with buying one grade and one quality of the three products.

Naturally you are attempting to purchase these commodities as cheaply as possible so that your profits will be high when you sell them. Assume that you could make up to nine different offers on each commodity and that your profits for each price would be represented in the attached table.

As you can see, there are nine letters on the left of the table. Each letter represents a price at which you could purchase these three food products, price "A" is the cheapest and price "I" is the most expensive. Since the less your buying price, the greater your profits, your profits will be greatest for price "A" and smallest for price "I". The actual price is not important and can be referred to by letter, but the profits are important: they are listed in the table.

Thus, if you could buy the tomato sauce at price "A", you would make \$400,000. If you could also buy the coffee at price "A", you would make \$240,000; and if you also bought the juice for "A", you would make \$160,000, for a total profit of \$800,000 when you resold the items. On the other hand, if you were forced to buy the tomato sauce at price "I", the coffee at price "I", and the juice at price "I", you would make no profit at all. Assume that variations in prices are possible; that is, you don't have to buy the three food products at the same price.

You must come to an agreement on one letter for the tomato sauce, one letter for the coffee, and one letter for the juice. But you don't have to have the same letter for each of them. You will be making offers for all three items at one time; it is like making a package deal.

The seller has a profit sheet like yours. He has the same nine options as you, but with different values attached to them. All that you can be certain of is that he will be attempting to sell the three food products at as high a price as possible.

Feel free to use part or all of the information provided in this position paper in shaping your bargaining strategies. Create additional arguments to bolster your position if you so desire.

You are free to exchange any information during the bargaining. Although you are not allowed to exchange profit sheets, you can exchange information from the sheets. This information need not be truthful.

Naturally your company wants to make as much profit as possible.

RP1 PRICING:

<u>Sauce</u>		<u>Coffee</u>		<u>Juice</u>	
A	400,000	A	240,000	A	160,000
B	350,000	B	210,000	B	140,000
C	300,000	C	180,000	C	120,000
D	250,000	D	150,000	D	100,000
E	200,000	E	120,000	E	80,000
F	150,000	F	90,000	F	60,000
G	100,000	G	60,000	G	40,000
H	50,000	H	30,000	H	20,000
I	000	I	000	I	000

RP2 PRICING:

<u>Sauce</u>		<u>Tea bags</u>		<u>Sardines</u>	
A	240,000	A	320,000	A	480,000
B	210,000	B	280,000	B	420,000
C	180,000	C	240,000	C	360,000
D	150,000	D	200,000	D	300,000
E	120,000	E	160,000	E	240,000
F	90,000	F	120,000	F	180,000
G	60,000	G	80,000	G	120,000
H	30,000	H	40,000	H	60,000
I	000	I	000	I	000

Seller Position Paper

For the purposes of the present role-play exercise, assume that you are the representative of National Foods, a manufacturer of food products. You are to meet, at a neutral location, a representative of a local chain of supermarkets called Peninsula Supermarkets to sell three types of food products: tomato sauce, instant coffee, and frozen juice. The status of the two companies is equal.

It is your job to sell food products to companies like Peninsula Supermarkets. Based on your cost and the sale price, it is possible for you to compute potential profits for 1000 cases of tomato sauce, 1000 cases of coffee, and 1000 cases of juice. For the purposes of the present situation, you are concerned only with selling one grade and one quality of the three products.

Naturally you are attempting to sell these commodities at as high a price as possible so that your profits will be high. Assume that you could make up to nine different offers on each commodity and that your profits for each price would be represented in the attached table.

As you can see, there are nine letters on the left of the table. Each letter represents a price at which you could sell these three food products. Price "A" is the cheapest and price "I" is the most expensive. Since the greater your selling price, the greater your profits, your profits will be greatest for price "I" and smallest for price "A". The actual price is not important and can be referred to by letter, but the profits are important: they are listed in the table.

Thus, if you could sell the tomato sauce at price "I", you would make \$160,000. If you could also sell the coffee at price "I", you would make \$240,000; and if you also sold the juice for "I", you would make \$400,000, for a total profit of \$800,000. On the other hand, if you were forced to buy the tomato sauce at price "A", the coffee at price "A", and the juice at price "A", you would make no profit at all. Assume that variations in prices are possible; that is, you don't have to sell the three food products at the same price.

You must come to an agreement on one letter for the tomato sauce, one letter for the coffee, and one letter for the juice. But you don't have to have the same letter for each of them. You will be making offers for all three items at one time; it is like making a package deal.

The buyer has a profit sheet like yours. He has the same nine options as you, but with different values attached to them. All that you can be certain of is that he will be attempting to sell the three food products at as high a price as possible.

Feel free to use part or all of the information provided in this position paper in shaping your bargaining strategies. Create additional arguments to bolster your position if you so desire.

You are free to exchange any information during the bargaining. Although you are not allowed to exchange profit sheets, you can exchange information from the sheets. This information need not be truthful.

Naturally your company wants to make as much profit as possible.

RP1 PRICING:

<u>Sauce</u>		<u>Coffee</u>		<u>Juice</u>	
A	000	A	000	A	000
B	20,000	B	30,000	B	50,000
C	40,000	C	60,000	C	100,000
D	60,000	D	90,000	D	150,000
E	80,000	E	120,000	E	200,000
F	100,000	F	150,000	F	250,000
G	120,000	G	180,000	G	300,000
H	140,000	H	210,000	H	350,000
I	160,000	I	240,000	I	400,000

RP2 PRICING:

<u>Sauce</u>		<u>Tea bags</u>		<u>Sardines</u>	
A	000	A	000	A	000
B	60,000	B	40,000	B	30,000
C	120,000	C	80,000	C	60,000
D	180,000	D	120,000	D	90,000
E	240,000	E	160,000	E	120,000
F	300,000	F	200,000	F	150,000
G	360,000	G	240,000	G	180,000
H	420,000	H	280,000	H	210,000
I	480,000	I	320,000	I	240,000

POST-GAME QUESTIONNAIRE

Name: _____

Role: Buyer / Seller

(all responses will be kept in strictest confidence)

Part I

The following are some question about the negotiation game in which you have just participated.

Please circle your answer to the questions in the following manner:

black	5	4	3	2	1	white
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1. If an agreement was reached, how satisfied are you with that agreement?

satisfied	5	4	3	2	1	dissatisfied
-----------	---	---	---	---	---	--------------

2. How satisfied are you with the agreement relative to your pre-game expectations?

satisfied	5	4	3	2	1	dissatisfied
-----------	---	---	---	---	---	--------------

3. How satisfied are you with your individual profit level?

satisfied	5	4	3	2	1	dissatisfied
-----------	---	---	---	---	---	--------------

4. Rate your partner's bargaining strategies on the following scales:

exploitative	5	4	3	2	1	accommodating
--------------	---	---	---	---	---	---------------

honest	5	4	3	2	1	deceptive
--------	---	---	---	---	---	-----------

ineffective	5	4	3	2	1	effective
-------------	---	---	---	---	---	-----------

unbiased	5	4	3	2	1	biased
----------	---	---	---	---	---	--------

skilful	5	4	3	2	1	unskilful
---------	---	---	---	---	---	-----------

5. How would you rate the effectiveness of communication that occurred during the negotiation?

effective 5 4 3 2 1 ineffective

6. Were there any points at which you felt there was some miscommunication with your partner?

frequently 5 4 3 2 1 not at all

7. To what extent were you both communicating on the same "wave-length"?

most of the time 5 4 3 2 1 not at all

8. Rate your partner's attitude towards you during the negotiation according to the following criteria:

friendly 5 4 3 2 1 unfriendly

polite 5 4 3 2 1 rude

uncooperative 5 4 3 2 1 cooperative

guarded 5 4 3 2 1 open

unaggressive 5 4 3 2 1 aggressive

sincere 5 4 3 2 1 insincere

9. Rate your own attitude towards your partner:

friendly 5 4 3 2 1 unfriendly

polite 5 4 3 2 1 rude

uncooperative 5 4 3 2 1 cooperative

guarded 5 4 3 2 1 open

unaggressive 5 4 3 2 1 aggressive

sincere 5 4 3 2 1 insincere

Part II

Please answer a few questions about yourself.

1. Singaporean / Expatriate

If expatriate, please indicate

a) country & birth of origin

b) approximate number of years spent in Singapore

2. Languages and dialects you speak fluently

3. Medium (language) of education

Primary _____

Secondary _____

Tertiary _____

4. Undergraduate university (if applicable) _____

5. Employer _____

Position _____

No. of years with present firm _____

No. of years working experience _____

6. If you have lived in a foreign country other than Singapore, please list the countries and your period of stay:

Country

Length of stay

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Individualism Index (IDV)

<i>Score rank</i>	<i>Country or region</i>	<i>IDV score</i>	<i>Score rank</i>	<i>Country or region</i>	<i>IDV score</i>
1	USA	91	26/27	Arab countries	38
2	Australia	90	28	Turkey	37
3	Great Britain	89	29	Uruguay	36
4/5	Canada	80	30	Greece	35
4/5	Netherlands	80	31	Philippines	32
6	New Zealand	79	32	Mexico	30
7	Italy	76	33/35	East Africa	27
8	Belgium	75	33/35	Yugoslavia	27
9	Denmark	74	33/35	Portugal	27
10/11	Sweden	71	36	Malaysia	26
10/11	France	71	37	Hong Kong	25
12	Ireland	70	38	Chile	23
	(Republic of)		39/41	West Africa	20
13	Norway	69	39/41	Singapore	20
14	Switzerland	68	39/41	Thailand	20
15	Germany FR	67	42	Salvador	19
16	South Africa	65	43	South Korea	18
17	Finland	63	44	Taiwan	17
18	Austria	55	45	Peru	16
19	Israel	54	46	Costa Rica	15
20	Spain	51	47/48	Pakistan	14
21	India	48	47/48	Indonesia	14
22/23	Japan	46	49	Colombia	13
22/23	Argentina	46	50	Venezuela	12
24	Iran	41	51	Panama	11
25	Jamaica	39	52	Equador	8
26/27	Brazil	38	53	Guatemala	6

(Hofstede, 1992:53)

Masculinity Index (MAS)

<i>Score rank</i>	<i>Country or region</i>	<i>MAS score</i>	<i>Score rank</i>	<i>Country or region</i>	<i>MAS score</i>
1	Japan	95	27	Brazil	49
2	Austria	79	28	Singapore	48
3	Venezuela	73	29	Israel	47
4/5	Italy	70	30/31	Indonesia	46
4/5	Switzerland	70	30/31	West Africa	46
6	Mexico	69	32/33	Turkey	45
7/8	Ireland	68	32/33	Taiwan	45
	(Republic of)		34	Panama	44
7/8	Jamaica	68	35/36	Iran	43
9/10	Great Britain	66	35/36	France	43
9/10	Germany FR	66	37/38	Spain	42
11/12	Philippines	64	37/38	Peru	42
11/12	Colombia	64	39	East Africa	41
13/14	South Africa	63	40	Salvador	40
13/14	Equador	63	41	South Korea	39
15	USA	62	42	Uruguay	38
16	Australia	61	43	Guatemala	37
17	New Zealand	58	44	Thailand	34
18/19	Greece	57	45	Portugal	31
18/19	Hong Kong	57	46	Chile	28
20/21	Argentina	56	47	Finland	26
20/21	India	56	48/49	Yugoslavia	21
22	Belgium	54	48/49	Costa Rica	21
23	Arab countries	53	50	Denmark	16
24	Canada	52	51	Netherlands	14
25/26	Malaysia	50	52	Norway	8
25/26	Pakistan	50	53	Sweden	5

(Hofstede, 1992:84)

Uncertainty Avoidance Index (UAI)

<i>Score rank</i>	<i>Country or region</i>	<i>UAI score</i>	<i>Score rank</i>	<i>Country or region</i>	<i>UAI score</i>
1	Greece	112	28	Ecuador	67
2	Portugal	104	29	Germany FR	65
3	Guatemala	101	30	Thailand	64
4	Uruguay	100	31/32	Iran	59
5/6	Belgium	94	31/32	Finland	59
5/6	Salvador	94	33	Switzerland	58
7	Japan	92	34	West Africa	54
8	Yugoslavia	88	35	Netherlands	53
9	Peru	87	36	East Africa	52
10/15	France	86	37	Australia	51
10/15	Chile	86	38	Norway	50
10/15	Spain	86	39/40	South Africa	49
10/15	Costa Rica	86	39/40	New Zealand	49
10/15	South Panama	86	41/42	Indonesia	48
10/15	Argentina	86	41/42	Canada	48
16/17	Turkey	85	43	USA	46
16/17	South Korea	85	44	Philippines	44
18	Mexico	82	45	India	40
19	Israel	82	46	Malaysia	36
20	Colombia	80	47/48	Great Britain	35
21/22	Venezuela	76	47/48	Ireland	35
21/22	Brazil	76		(Republic of)	
23	Italy	75	49/50	Hong Kong	29
24/25	Pakistan	70	49/50	Sweden	29
24/25	Austria	70	51	Denmark	23
26	Taiwan	69	52	Jamaica	13
27	Arab countries	68	53	Singapore	8

(Hofstede, 1992:113)

Power Distance Index (PDI)

<i>Score rank</i>	<i>Country or region</i>	<i>PDI score</i>	<i>Score rank</i>	<i>Country or region</i>	<i>PDI score</i>
1	Malaysia	104	27/28	South Korea	60
2/3	Guatemala	95	29/30	Iran	58
2/3	Panama	95	29/30	Taiwan	58
4	Philippines	94	31	Spain	57
5/6	Mexico	81	32	Pakistan	55
5/6	Venezuela	81	33	Japan	54
7	Arab countries	80	34	Italy	50
8/9	Equador	78	35/36	Argentina	49
8/9	Indonesia	78	35/36	South Africa	49
10/11	India	77	37	Jamaica	45
10/11	West Africa	77	38	USA	40
12	Yugoslavia	76	39	Canada	39
13	Singapore	74	40	Netherlands	38
14	Brazil	69	41	Australia	36
15/16	France	68	42/44	Costa Rica	35
15/16	Hong Kong	68	42/44	Germany FR	35
17	Colombia	67	42/44	Great Britain	35
18/19	Salvador	66	45	Switzerland	34
18/19	Turkey	66	46	Finland	33
20	Belgium	65	47/48	Norway	31
21/23	East Africa	64	47/48	Sweden	31
21/23	Peru	64	49	Ireland	28
21/23	Thailand	64		(Republic of)	
24/25	Chile	63	50	New Zealand	22
24/25	Portugal	63	51	Denmark	18
26	Uruguay	61	52	Israel	13
27/28	Greece	60	53	Austria	11

(Hofstede, 1992:26)

Key to transcripts

- / phrase boundary marker
- [] conversation overlap
- ... pauses of less than 3 seconds, more stops indicate longer pause
- () pauses of more than 3 seconds
- ? unintelligible word/phrase
- = latching

- 1 LB: good morning Mr Mallett/
 2 AM: good [morning/
 3 LB: nice to] meet you/
 4 AM: ah/ well/ . we've met a couple of times before/
 5 LB: yes/ last had that drink at the Cricket Club the other night/ .
 6 AM: yah can't remember much about that actually/ (laughter) I stayed on and er had a few more/
 7 LB: yeah/
 8 AM: but er
 9 LB: how long have you been er . in Singapore/
 10 AM: a couple of years/ yourself/
 11 LB: yeah about the same/
 12 AM: and how d'you find it/
 13 LB: yeah it's pretty good/ . business climate seems to be improved/
 14 AM: where were you before/
 15 LB: er in London/ ..
 16 AM: so it's a complete change/
 17 LB: yes I lived out here before and it's a complete change/ . I've been in this food line for er quite a few years now/
 18 AM: it's new to me/
 19 LB: is it/ (laughter)
 20 AM: yeah but er no/ last few years have been fairly successful/ not too bad/ er you know that we do a fair amount of business with other people/
 21 LB: yes/
 22 AM: and er . you're one of the ones we haven't been able to do anything with/
 23 LB: right/ . well the supermarket chain that I represent is . seems to be growing/
 24 AM: supermarkets er seem to be er consolidating in Singapore and er under . one or two main groups and er and I think we probably represent one of the two largest groups/ .
 25 LB: how how do you find your other competitor/ .
 26 AM: he's erm . fairly aggressive/ erm . we're finding that erm . shelf prices really/ one has got to keep an eye on them/ . erm . I would say that business is a lot more er competitive than it was erm . two or three years ago/ although it's not as competitive as it was five years ago/
 27 LB: mm/
 28 AM: things things haven't been too bad for the last couple of years/ . I'd say that probably erm the palate of the local . people is er beginning to erm . become more and more westernized/ so hence the growth in .. supermarkets/ [shelf products/
 29 LB: do you think/ . is this aggression due to er . lower retail prices/ . or just a general change [in
 30 AM: I] think it's just a general change in palate really/ . er . I mean when one compares the local food with with the food one is seeing in the supermarkets it's quite amazing . that
- 30 AM: people actually do shop in supermarkets/ and don't shop in the local stores but er/ it's a trend that we don't really understand/
 31 LB: oh it's easier if you go around and buy everything all at once/
 32 AM: yes yes that's right/ .
 33 LB: so how can we help you/ .
 34 AM: well we are just coming up to erm . renew our . yearly erm . purchase . of these three products this mayonnaise/ instant coffee and orange juice/ . erm we have two or three offers on the table/ and we'd like to erm to see to see what you have to offer/ .
 35 LB: so you've come to us last/
 36 AM: no/ I haven't come to you last at all/ we've er issued tenders out and erm . as I say two or three . I think we wrote to you actually/
 37 LB: yeah/ . we've received your letter/
 38 AM: erm
 39 LB: we've looked at it in detail/
 40 AM: and er that's why we wanted to er to see you face to face/
 41 LB: well I mean obviously since you're .. let's say in the top three and we haven't done business/ er we feel it's very important . to meet . and er have a personal contact/
 42 AM: right/
 43 LB: the last thing we want to do is just . chuck you away (inaudible)
 44 AM: right/
 45 LB: erm .. from our side/ business has grown dramatically/ er . production's increased/ . sales've increased/ er . and it's again fairly competitive/ but we think we're er . beating most of our main competitors/
 46 AM: right/
 47 LB: but er . our main priority is to get our . quality of goods onto the supermarket shelves/ yes/
 48 AM: and if you're one of the largest/ . it has to be in . in your stores if we can do it/
 49 LB: right/ and your . you erm supply world wide/ you have offices world wide/ .
 50 AM: yeah/ . fairly world wide/ the operation here is er . exporting as well/
 51 LB: [right/
 52 AM: we're] supplying . Hong Kong/ Malaysia/ . Indonesia/
 53 LB: yeah/
 54 AM: er . but my primary concern is to ensure that we maintain our . our position in Singapore/
 55 LB: yeah/ and products erm . you do you sell your products in the States/ . well er I mean the reason I ask that is because erm . Singapore seems to have very strict erm quality controls especially on food/ I think they're one of the the . lowest tolerance er in radioactivity er allowable in er in food products/
 56 AM: yeah/
 57 LB: probably commensurate with the US so .
 58 AM: I think er tighter than the US/
 59 LB: tighter than the US/
 60 AM: yeah I think anything in Singapore is er . the strictest and the tightest around/ .
 61 LB: right/
 62 AM: which benefits us in our sales products/
 63 LB: [I see/

64	AM:	because] we can pass any regulations/ . e:r anywhere in the world wide/	96	AM:	my Malaysian capabilities went through the floor/
65	LB:	right/	97	LB:	(laughs)
66	AM:	so how much/ how long a contract are you looking for/	98	AM:	and e:r . pretty tough negotiation/
67	LB:	well as I say we I mean we usually e:rm: like to tie things up for six months to one year/	99	LB:	mm/
		. e:rm very much depends on . on the price . as to whether we go for six months or for	100	AM:	e:r trying to get back in there/ .
		one year/ . e:rm: . and when we have to discuss payment terms that would come into e:r .	101	LB:	thank you very much/
		into the calculation e:rm/ . I assume you give some . some credit/ .			(takes cigarette)
68	AM:	some/ .			terrible habit/
69	LB:	[yeah/			(lighting of cigarettes)
70	AM:	e:rm] a lot depends on past performance of the client/			well the sort of credit that we would e:rm: . that would e:r compete with e:rm your e:r
71	LB:	right/			with our existing suppliers/ would be thirty to sixty days/
72	AM:	e:r . but . with a company like yourself/			()
73	LB:	mm/	102	AM:	that's pretty normal/
74	AM:	with the reputation that you have/=			()
75	LB:	yeah/=			and what sort of e:r how many cartons would you be looking for let's say on a six month
76	AM:	e:r I'm sure that we can come to some agreement/=			contract/
77	LB:	=right well we'd be quite happy to provide financial information/ . e:r should you e:r .	103	LB:	on a six let's say on a month on a monthly basis we'd be looking at say a thousand
		should we come to talk about credit terms/			cartons of each product/
78	AM:	have you had any problems on quality with goods you've been purchasing from . from			()
		our competition/	104	AM:	mixture/ two fifty grams/ . five hundred/ one hundred/
79	LB:	not really/ e:rm . but obviously we e:rm . we are aware of the fact that your goods do	105	LB:	yes/ yes/ yes/
		sell well . e:r in other supermarkets/ e:rm: and we would like to e:rm to investigate the	106	AM:	[spread around/
		possibility of . putting your goods on our shelves/ . because we feel that your goods do	107	LB:	on on] the coffee say e:r hundred two fifty and e:r five . [hundred/
		have a very good reputation/ e:rm . similar to the reputation that we have already on our	108	AM:	spl-] . split around equally/
		shelves/ .	109	LB:	yes/ split around equally/ [e:rm
80	AM:	would you want you:r your own brand goods/ or would you want it under our brand/	110	AM:	mayon]naise we do in two/ .
81	LB:	I think we would probably have it under under your brand/	111	LB:	mm/
82	AM:	[and	112	AM:	e:r two fifty and five hundred/ . e:r the orange juice is in . half litre and a litre/ .
83	LB:	I] mean that we would obviously come to negotiation if we were to market under . our	113	LB:	right/ your orange juice is in packets or in e:r . plastic bottles/
		own brand e:rm . that doesn't give your company . the exposure . that maybe you feel	114	AM:	it's in plastic bottles/
		important [e:rm	115	LB:	plastic bottles right/
84	AM:	e:r] would it be e:r . sole concession to us or would you also be taking goods from other			()
		people/ from different clients/ so that it'd actually be some self shelf competition/	116	AM:	and do you require letters of credit o:r you're quite happy with cash payments/ .
85	LB:	well I think there would be s- there probably would be shelf competition on e:rm on			quite happy with cash payments/
		coffee/ . e:rm we wouldn't really be looking for shelf competition on e:r . on mayonnaise			()
		or on orange juice/ .			would you want the: e:r contracts to be . at store or delivered to your door to you:r
86	AM:	right/			[warehouse/
87	LB:	your orange juice comes from: from where/	117	LB:	delivered/]
88	AM:	States/			()
89	LB:	comes from the States/ California/			we have one e:r one central e:rm . . warehouse/ . and we have our own internal
90	AM:	yeah/			distribution so it's just a question of delivering it to our refrigerated e:rm . warehouses or
91	LB:	yeah/ right/			warehouse/
92	AM:	we use to e:r source from South Africa/ . but because of the problems there	118	AM:	right/ . and that's e:r Sembawang/ isn't it/
93	LB:	right/	119	LB:	e:r that's correct yes/ it's such a small place Singapore/ transport isn't really much of a
94	AM:	decided against it/			problem/
95	LB:	yes I suppose that it would affect your Malaysian e:rm . capabilities/	120	AM:	a::h transport's not a problem/ the costs are/

121	LB:	(laughs)	149	LB:	right/
122	AM:	as always/	150	AM:	e:r . the orange juice .. I would imagine . well from our research most of the population drinks orange juice/
123	LB:	your distribution centre is where/	151	LB:	yes/
124	AM:	our distribution centre we hold erm we have er . a warehouse just outside er the PSA/ . [(inaudible)	152	AM:	coffee's a a growing consumer item/
125	LB:	mm/]	153	LB:	mm/
126	AM:	erm .. so it's fairly convenient/=	154	AM:	erm .. coffee side e:r ... we could supply you with what you want/ without any problem/
127	LB:	=yeah/	155	LB:	yeah/ I mean you supply powder . powdered and granulated/
128	AM:	for the highways/	156	AM:	yup/
129	LB:	right/	157	LB:	yeah/ .
130	AM:	erm but Sembawang's the other side/ but er we have other clients up there so I don't think it'll be much of a problem/	158	AM:	do you have any particular preference/
131	LB:	() so what should we look at first/ . coffee/ well yes we can look at coffee first/ I mean I do find it quite strange that erm .. that coffee erm prices/ . don't seem to really reflect the erm . I mean of world coffee prices/ don't seem to reflect selling prices of processed coffee/ well I think that's the same if you look at er .. the beginning of the structure/ . the: . prices charged by the farmers/ the exporter/ are never true valuations on the market price/ the world market price goes up/ . the farmers' price goes up/ but when it goes down/ . it takes twice as long to come down/ mm/	159	LB:	well I think probably I think it seems to us that the er the demand for granulated seems to be growing/ . erm so I would say if we could if we do come to terms erm . I'd be looking at sixty-five thirty-five in favour of granulated/
132	AM:	() [can we (inaudible) would you have any objections to er .. a one price structure/ . on both/ . no/ I think that we would have to er I .. if I remember correctly the er the granulated is er we retail the granulated at a premium to the to the powdered/ er ... so if it's weighted/ I don't really mind having all on one price structure makes it simpler/ so sixty-five percent granulated/ yeah/ ...	160	AM:	()
133	LB:	erm . consequently that . goes along the chain at the same time/ . and ends up at at retail/ erm .. so I think .. which ever side you look at it/ there's always going to be a problem in the coffee price/ the thing is the consumer never finds the real price anyway/	161	LB:	[can we (inaudible) would you have any objections to er .. a one price structure/ . on both/ . no/ I think that we would have to er I .. if I remember correctly the er the granulated is er we retail the granulated at a premium to the to the powdered/ er ... so if it's weighted/ I don't really mind having all on one price structure makes it simpler/ so sixty-five percent granulated/ yeah/ ...
134	AM:	mm/	162	AM:	yeah/ ...
135	LB:	all he's interested in is how much he's going to pay/ . er that would come down to a marginally lower er on top of er=	163	LB:	how many er ... varieties of coffee have you got on the shelf at the moment/ .
136	AM:	=yes/	164	AM:	er brand names/
137	LB:	the wholesale price/ .. but er it's a [very er	165	LB:	yeah/
138	AM:	it seems] to me that erm . that coffee prices/ . that any differences in shelf prices of coffee/ . whether the world market price is four thousand/ which it was back in . I don't know some ten years ago/ . today where we are I think I'm right in saying about twelve hundred and fifty/ .	166	AM:	e:r we have three on our shelves at the moment/
139	LB:	not far off/	167	LB:	()
140	AM:	() er .. coffee/ coffee/ ... thousand boxes/ I mean I thought we I mention this about coffee because coffee is probably . one of the most movable products/ .. of the three that we're talking about/	168	AM:	they're selling well/ ..
141	LB:	mm/	169	LB:	they are selling relatively well yeah/ obviously there is there's a preference for .. the premium/
142	AM:	er .. orange juice would be second followed by mayonnaise/	170	AM:	mm/
143	LB:	the mayonnaise might be is . is a fairly small market here/	171	LB:	()
144	AM:	yeah/	172	AM:	because the: coffee . the taste of the consumer seems to be . a little bit more delicate than it used to be/
145	LB:	I think you're aiming more of the er .. higher salary bracket [local/	173	LB:	have you tested our coffee/
146	AM:	yes/]	174	AM:	er yes we've tested it/
147	LB:	and the expat/	175	LB:	how how do you find that on a scale of er . zero no premium to ten premium/ .
148	AM:		176	AM:	over the existing brands/ .
			177	LB:	yeah/ ...
					I think it's on a par with existing brands/
					()
					you must your tasters must erm must test the erm .. compe- compe- competitors' coffee/
					yeah/ we we would say that .. from looking at the products you've been selling on your your supermarket chains/ our product is . a lot comes down to personal taste/
					[yeah/

180	AM:	but] we would say that quality wise . it was as good if not slightly better/			difference really/ . other than consistency/ . of the product/ . consistency in terms of erm
181	LB:	right/ the origin of the coffee is is mainly Brazilian is it/ or do you do you			.. the actual thickness/
182	AM:	[no/	210	AM:	yeah/
183	LB:	source] from Indonesia/	211	LB:	of the product/
184	AM:	we're sourcing we're sourcing mainly from::m Central America/	212	AM:	()
185	LB:	m-hmm/			we've noticed that some of your your mayonnaise brands on the shelf are er .. differing
186	AM:	er small amount from Indonesia/ .. er the remainder coming from Thailand/			in colour/ from sort of dark yellow to virtually pure white/
187	LB:	yeah/	213	LB:	yes/
188	AM:	we think Thailand's a better quality product/	214	AM:	our's comes sort of somewhere in between/ . do you think that's er an er advantage/
		()	215	LB:	yes I [] I
		so . it's er it's taken some years to get the right/ . quality/ and right taste/ that er we were	216	AM:	it's not] a yellow colour/
		looking for/ . but we think we've got it now/	217	LB:	erm: I think it's very important/ and you probably . aim your er product/ . to the es- to
		OK			pleasing the aesthetic quality/ of the product/ . on the shelf/ e:rm that always helps to
189	LB:	erm and er . the supply sources are very good/			sell/ . products/
190	AM:	right/	218	AM:	mmm/
191	LB:	so we've had no problems on that side/ and it seems to have done quite well on the other	219	LB:	so I would think the creamier/ the whiter/ the mayonnaise/
192	AM:	. other markets/	220	AM:	we can produce . qualities to your specifications/
193	LB:	right/ and the orange juice you do both sweetened and unsweetened yah/ .	221	LB:	yeah I mean that's that's what we're looking for we're really looking for a creamy white
194	AM:	right/			product/
195	LB:	well I think it it er we would be looking to fifty fifty/	222	AM:	how sweet would you want it/
		()	223	LB:	e::rm . not too sweet/
		and artificial colourings are minimal/ in the in the er orange juice/			()
196	AM:	they have to be/			in fact almost bordering on sour/
197	LB:	yes/			()
198	AM:	government regulations .. er mean that there's very very little e:r . artificial products put	224	AM:	we do produce that although there's er . not massive demand for it/
		in/ .. we would like to push an advertising campaign saying it's a hundred percent pure/	225	LB:	er we are we are finding that erm the sweet tooth/ .. is becoming less and less prevalent/
		. but er.. [we might	226	AM:	you think that's because of more health conscious [attitude/
199	LB:	it's a] bit too costly is it/	227	LB:	again yes] I do/
200	AM:	it's a bit too costly and we might breach some of the regulations if someone actually			()
		tested it in fine detail/ .			sweetness does indicate preservative and artificial additives/
201	LB:	yes/	228	AM:	mmm/
202	AM:	and we don't wish to take that risk/	229	LB:	erm .. our chain .. is looking at health foods/ which seems to be a burgeoning industry/
203	LB:	right/			and we would probably .. put the orange juice and the mayonnaise/ in our semi in
204	AM:	but er . it's very very close to a hundred percent/ er . and we believe that it it's more			inverted commas health food section/ .
		natural than anything else on on the shelves at the moment/	230	AM:	[mmm/
205	LB:	that means it cost slightly more/ but er we think the consumer . would pay that cost for	231	LB:	so] that's why we're looking for products that . do not contain ..
206	AM:	the quality of the juice they're getting/ .	232	AM:	[what to you
		we do realise that your orange juice is a slight . premium in terms of costs to to the er .	233	LB:	artificial] preservatives/
207	LB:	to the goods we have on our shelves at the moment/ but . we're again talking about a	234	AM:	putting it in that section means you're able to er increase your margins slightly/ .
		sophisticated palate and health conscious palate these days/ . so that's why we're looking			because of the health food conscious attitude/ [you can have
		to er . possibly upgrade our orange juice erm . quality/	235	LB:	we can in]crease our margins but then on the other hand obviously we takes us longer to
208	AM:	yup/	236	AM:	dispose of the stocks/ erm so . financing is probably a little bit . more/
		()	237	LB:	right so in that so if we can help you on the credit/
		what about the mayonnaise/			yes exactly/
209	LB:	well the the mayonnaise is a is a fairly er standard product/ .. erm .. I don't see much			()
					what sort of premium are you charging now/ . credit/ interest wise/

238	AM:	() well/ er on a CAD basis . with sixty days we'd most probably take ... usual customers we would charge about one and a half percent above base rate/ er ... if we were to look at a six months contract/ on this sort of volume/ . erm . with an option to renew/ yeah/	261	LB:	superior/ mm/ ..
239	LB:	er I imagine we could reduce that/ maybe to er . one and a quarter/ yeah/ . we don't have any problems raising credit/ erm .	262	AM:	price/ but I'm willing to reduce it as it's a first time deal/ erm .. I'd say more on a good will basis/ .. er and I suppose we'd be looking ... on a joint pricing scale/ sixty-five thirty-five/ ()
240	AM:	no we . from our side/ . I would admit we've er . done a bit of a search on your company/ we've had good feedback [from there/ yeah/]			() at around 1 dollars per er . thousand/ per month/ ()
241	LB:	() so we were not particularly worried on our side/ ()	263	LB:	well that that sort of erm . price is ... is really pretty high compared to our competition/ . erm the people we've been doing business with erm .. sorry with your competition/ we've been doing business for so long/ .. er we have established a good relationship with them/ . they understand our needs/ er . they understand the fact that . the goods have to remain on the shelf for a long time/ m-hmm/
242	AM:	OK well I think we could probably talk business in terms of er the interest on the credit/	264	AM:	that wholesale prices against . erm shelf prices really only tell .. a quarter of the story/ [er
243	LB:	so shall we say one and a quarter on er	265	LB:	what's] the other/ well the other . three quarters of the story is overheads in terms of staff
244	AM:	no I would say e::rm . I I think one would be a (inaudible) figure/ ()	266	AM:	yeah/ rental etc etc general overheads/ . and the main thing of course is financing/ yup/ e::rm financing is our biggest expenditure/ item/ after salaries/ . erm apart from of the principal cost of the actual commodity that we're buying/ well coffee is a long-life product/ er .. it's all vacuum packed/ so the shelf life is fairly long/ . on that pricing structure I'd be willing . I'd be willing to give you a ninety day credit line/ . credit limit rather/ on that price/ . over one and a half percent above base interest rates/ mm/ ()
245	LB:	I tell you what I'll give you the option/ .. one on thirty days/ or one and er one and a quarter on sixty/ ()	267	LB:	well I was thinking more in terms of erm ... of F dollars/.. which really is erm .. you're really looking to get . our chains . into your portfolio/ .. er out of loyalty to our existing erm suppliers/ if we are going to change/ . it would really have to erm .. have to be .. as cheap/ with as good credit terms/ .. as our existing suppliers/ so you'd be looking at F plus ninety days/ yes/ .. you're making very big profit/ ()
246	AM:	OK/ . that seems fair enough/ ()	268	AM:	are you getting ninety days from your other suppliers/ yes we are/ .. I'll be honest with you we're not getting e:rm . as good a credit terms/ on ninety days/ ()
247	LB:	er	269	LB:	[(inaudible)
248	AM:	could we add could we add another option to to the contract/ . if it was to come about/ . if we wanted to increase .. to ninety days/ [we might to ninety days/ we'd make it one and a half over/ ()	270	AM:	I tell] you I tell you what/ e:rm:: . the basis so far . has been on a six month basis/ right . e:r I would be willing to er to extend that/ . to a nine month/ .
249	LB:	()	271	LB:	
250	AM:	[let's say	272	AM:	
251	LB:	not not] not necessarily on er on a hundred percent of er of the goods/ but let's say on twenty percent of the goods/ I'm not saying that we would necessarily need this option/ I would have to clarify with the er .. financial department/ OK/ er ninety days is . is not a common . phenomenon now/ e:rm ()	273	LB:	
252	AM:	but I think I can say yah/ we might be able to work	274	AM:	
253	LB:	[OK/ that out] for you/ . as an option/ ()	275	LB:	
254	AM:	on the coffee side/ ... sixty-five thirty-five/ ()	276	AM:	
255	LB:	looking at the .. the general retail prices that you're charging/ on your . other brands/ you have on the shelf/ er . obviously we're not . certain as to the . wholesale price that you're paying/ but er your margins would seem to be fairly high/ erm .. and as we believe that the quality of the coffee we'd be supplying you is as good if not slightly	277	LB:	
256	AM:		278	AM:	
257	LB:		279	LB:	
258	AM:		280	AM:	
259	LB:		281	LB:	
260	AM:				

282	AM:	nine month/=	303	LB:	with thirty days credit/
283	LB:	=commitment/ at F/ . dollars/ ninety days/	304	AM:	()
284	AM:	F's er is cutting it . very very fine for ourselves/ especially on the ninety day/ er	305	LB:	what about the OJ/ .
		()			well the OJ/ I think erm moves fairly er quickly/ big turnover/ . it's a growing market/ .
		()			erm .. because it's a big product/ because it's a growing market/ er we're finding . that
		()			our suppliers erm .. are very keen . that we stay with them/ . e:rm ... to meet er your er
		()			competitors' levels/ you really got to er . to talk of D on sixty days/
285	LB:	()	306	AM:	()
286	AM:	alternatively I could give you an option of maybe G/ on a sixty day/	307	LB:	we find that with orange juice that erm .. that our competitors/ would erm that is the
287	LB:	yeah/ .. you've almost stolen the words from my mouth/ I was going to suggest/ .. F .			product that they push most/
		ninety days and we could er F I beg your pardon sixty days and er .. I think we could			[would you say
		come to an arrangement/			in fact the] contract for the orange juice/ for all these three products/ . er is expiring
288	AM:	()	308	AM:	in two months time/
		()	309	LB:	yeah/
		()			er the coffee and the mayonnaise erm we have talked to our . existing suppliers about/
289	LB:	if you er if you were going to agree on .. a nine month contract/ .. I could most	310	AM:	but the orange juice they've been on to us er . since November/ .
290	AM:	probably push through a ninety day/ on a G/ . but er .			would you say that the orange juice is er .. the quickest turnover product/ . that you
291	LB:	[very difficult for me/	311	LB:	have/
		there's this slight] question on er	312	AM:	yes/ . it is/
		I mean G G erm sixty days/ I think we'd only be prepared to commit ourselves six	313	LB:	sixty days is fairly long credit then I would say/ by the time we've given you the credit
		months/ . but F ninety days/ . sorry F er . sixty days/ .. a nine month contract/ . I would			you'd most probably turned it over two or [three times/
		make you a firmer bid/			yes/ yes/ the reason I asked for sixty I mean that does . the sixty days . on orange
292	AM:	()	314	AM:	juice does give us . great liquidity/
293	LB:	by all means think about it erm . [(inaudible)	315	LB:	yeah/
		shall we look] at the other products/			erm .. we go for six I'm going for sixty days on the orange juice because . the extra
294	AM:	yes let's do that/ we're talking three products anyway/	316	AM:	liquidity that it gives us/ . will compensate for the lack of liquidity/
295	LB:	()	317	LB:	mm/
296	AM:	what about mayonnaise/ what of sort of er ... [price	318	AM:	that we might have on the mayonnaise product/
297	LB:	the] mayonnaise is a very slow moving product/ ..	319	LB:	mm/
		yup/			and to a degree on the coffee product/ I admit that er . the sixty days if you give us sixty
		erm it's the slowest moving of the two products/ . erm .. in a way we're taking a bit of a			days that will give us cash in hand/ for that product alone/ we will have turned it over
		chance on the er on the mayonnaise by going for this er . less sweet .	320	AM:	probably/ .. before we actually
298	AM:	m-hmm/	321	LB:	[yeah/
299	LB:	er product/	322	AM:	pay] for it/ .
300	AM:	m-[hmm/	323	LB:	[yeah/
301	LB:	erm) .. so we really have to be er . quite conservative/ . in our calculations/ as far as the	324	AM:	but] it really just compensates for the coffee and the er the mayonnaise products/
		mayonnaise is concerned erm . in view of the slow moving nature of the product/ . we're			on the orange juice I would be look I mean if you were looking for sixty days I would
		looking at e:rm . at C/ .. C dollars/			be looking more at er . most probably G plus sixty/ .. er . I would have thought that .. to
		()			help you out you would prefer longer credit on the mayonnaise/ than the orange juice/
		()			right/
		()	325	LB:	e:rm . well we could most probably give you a ninety day credit at F/ .. on the
		()	326	AM:	mayonnaise/
		()			()
		()			with sixty at G on the orange juice/ .
		()	327	LB:	and where are we on the coffee now/
		()	328	AM:	the coffee ... well/ we got to we came to some . slight disagreement/=

329	LB:	=yes/ we're <i>F</i> . we're <i>F</i> . [e:r	()		
330	AM:	<i>F</i>] ninety/ or [e:r	()		
331	LB:	yes/] <i>F</i> sixty I'm prepared to do <i>F</i> sixty with a nine month contract/	()		
332	AM:	I think you were saying erm ... <i>G</i> sixty with a nine month contract/	()		
		yeah/	()		
		tell you what we'll do/ we'll give you ... we'll give you longer credit on those items			
		which er . are a slower turnover/ I think that would help you a lot/ .. er so mayonnaise			
		we would look . we'll give you ninety days/ . erm but it would have to be at <i>F</i> /			
333	LB:	m-hmm/	LB:	347	
334	AM:	the coffee/ . we could give you <i>F</i> . plus sixty/ ... the juice is the difficult one/ ... <i>D</i> plus	AM:	348	
		sixty is er .. would be a very very difficult . contract for us/ . er we'd be looking more	LB:	349	
		like ... <i>E</i> plus thirty/ ... since it's a fast turnover item/ and the quality of the juice we're			
		supplying is is far superior than anything else on the market/			
		()			
335	LB:	OK/ . why don't we try doing it this way/ erm .. on the orange juice we're very close/	AM:	350	
336	AM:	m-hmm/	LB:	351	
337	LB:	the credit thirty . is very manageable I think/ . let's go for <i>D</i> thirty/ .. on the orange juice/	AM:	352	
		.. this is just my suggestion/			
338	AM:	m-hmm/	LB:	353	
339	LB:	e::rm . on the coffee/	AM:	354	
		()			
		er <i>F</i> ninety days/			
		()			
340	AM:	m-hmm/	LB:	355	
341	LB:	and on the mayonnaise/	AM:	356	
		()			
		<i>E</i> ninety days/	LB:	357	
		()	AM:	358	
		and that e:rm . and those terms are putting you e:rm . in line with competition/ ... and all			
		nine month contracts/			
342	AM:	all nine months/	LB:	359	
		()	AM:	360	
343	LB:	the only reason that we're ch- even contemplating changing erm . our supplier/ is	LB:	361	
		because we feel that your product . is a slightly more health conscious product/	AM:	362	
344	AM:	rm/	LB:	363	
345	LB:	we are aiming to er like I mentioned earlier/ . erm to go for the health market/ . and	AM:	364	
		have separate food . er separate stores/ . separate sections for health foods/ .. but we will			
		only do that . if e:rm . if it's viable/			
		()			
		cutting it very fine/ . very fine indeed/	LB:	365	
	AM:	()	AM:	366	
		I'll tell you what I'll do/	LB:	367	
		()			
		I'll give you ninety days at <i>F</i> / . on the mayonnaise/			
		()			
		()			
		and I'll give you ninety days <i>G</i> / . on coffee/			
		()			
		and the orange juice/ .. I'll be willing to give you sixty days on <i>E</i> / on the orange juice/			
		()			
		all on nine month contracts/ .. option to renew/ ... e::rm . and I would ... if on renewal ...			
		automatically give you ninety days on the orange juice/ on the second contract/			
		()			
		we're close/ but we're not close enough/			
		()			
		where do you think our main .. [im passe/			
		I think] our main our main er problem/ is in the erm .. is in the mayonnaise/ ... because			
		of its . the slow moving nature of the product/			
		()			
		the credit line we could we . the credit we can't increase/ [so er			
		no/ that's] fair enough/ ninety days is all we're really looking for/ e:]rm			
		I'd] be willing to reduce the price on the mayonnaise/ . but we would have to increase .			
		the price on the orange juice/ .			
		you mean as . leave the: . price on the orange juice as your . last offer/ .			
		let's say . if you're worried about the mayonnaise/ I could reduce the mayonnaise to <i>E</i>			
		plus ninety/ ... the coffee/ . remain at . <i>G</i> plus ninety/ . but it's the orange juice which			
		causes the problem/ e:r . the orange juice is . for us/ . the . I suppose best selling product			
		that we have/ . erm consequently .. where we are at the moment/ it's quite a bit below .			
		what our . clients are paying/ . but because . of your status/ because it's a new contract/			
		we're willing to . have a slightly reduced price to yourselves/ . to maintain goodwill/			
		mm/			
		er even at <i>F</i> / .. we're still below what we're normally charging/ . but I'd be willing to			
		give you .. <i>F</i> plus ninety/ .. on the orange juice/ . so it'd be <i>F</i> ninety on the orange juice/			
		or <i>E</i> sixty/ .			
		or <i>E</i> sixty/			
		()			
		well/ <i>E</i> sixty <i>E</i> <i>E</i> would have to go down to most probably thirty days/ . because I've			
		reduced the price on the mayonnaise/			
		right/			
		so we'd be willing to give you <i>E</i> ninety on the mayonnaise/ .			
		yeah/			
		<i>G</i> ninety on the coffee/ . and <i>F</i> . <i>F</i> ninety on the er orange juice/			
		<i>F</i> ninety or <i>E</i> thirty/			
		yeah/			
		()			
		obviously with the additional sixty days . we'd er=			
		=yeah/=			
		=finance most other options/ .			
		OK/ I'll tell you what/ I think I can see a solution to this/ . you give me <i>E</i> sixty on the			
		orange juice/ . and I'll give you a twelve month contract/ . very exceptional that I would			
		give anything a twelve month contract on er . on a new supplier/ but I'm quite confident			

368 of your orange juice/ .. so *E* thirty on a twelve month contract on the orange juice/ and I
 369 will agree your *G* ninety/ . on the coffee/ *E* ninety on the mayonnaise/ nine month
 370 option to renew/ .. and also option to renew after the twelve months on the orange juice/
 371 I think that's very fair/ . we very rarely give twelve months contracts to a new supplier/ .
 372 in fact we have never ever given twelve month contract to a new supplier/
 373 *E* thirty/ .
 AM: *E* thirty/=
 LB: =*E* sixty/
 AM: [sorry
 LB: [*E* sixty *E* sixty
 AM: *E* sixty *E* sixty with a twelve month contract/ .. er nine month contract *G* ninety on
 LB: coffee/ and nine month contract *E* ninety on mayonnaise/
 ()
 AM: done/ .
 LB: done/
 AM: yup/
 LB: pleasure doing business with you Mr Mallett/
 AM: hope we can do some more/
 LB: thank you very much/

1 KS: so for packing wise=
2 RM: =mm=
3 KS: =first for instant coffee/. packing we: have packing for two hundred gram/
4 RM: [right/
5 KS: and] for . hundred and fifty gram/
6 RM: yes OK/
7 KS: and for the two hundred gram is good for family/
8 RM: right/
9 KS: because e:r according to our market survey/
10 RM: [m-hmm
11 KS: e:r] for two hundred gram we can sell . e:r in Japan probably e:r sixty percent/. for household consumption/
12 RM: pretty good/
13 KS: and for this e:r . frozen juice we have e:r half a litre/
14 RM: mm/
15 KS: and two hundred and fifty e:r e:r millilitre/
16 RM: yes/
17 KS: so I do not know I want to know what kind of packing that you require for such a products/
18 RM: e:r how about the mayonnaise/
19 KS: ()
20 RM: mayonnaise is e:r [is
21 KS: in] bottle form/=
22 RM: =is in bottle form yes/
23 KS: ()
24 RM: e:r I think we can do with this two hundred gram e:r for your coffee packing and the half litre juice e:r . half litre juice is selling well in currently in the local market here/
25 KS: e:r mayonnaise is e:r . OK but e:r mayonnaise we have to face strong competition from especially from Europe/ e:r I think there are about . our competitors we have checked about . five others are supplying to the market/=
26 RM: =m-hmm/
27 KS: but . e:r the taste bud of the local market is that they have been using a lot of mayonnaise/
28 RM: ()
29 KS: e:r I understand the minimum quantity e:r you would sell for . each category product is a thousand cases/ is that true/
30 RM: yes for . because of the packing and shipment/ we prefer it to be in container/
31 KS: right/
32 RM:

27 KS: so for a thousand case . e:r would be a more attractive type for packing wise/
28 RM: say [?
29 KS: so actually] we prefer to sell something like two thousand e:r cases/
30 RM: [yah/
31 KS: per] each item/
32 RM: the more the better/=
33 KS: =but . for e:r a new product in this market would be I think we are able to do it for one thousand ca[ses each/
34 RM: m-hmm/] your terms of e:r e:r credit is normal e:r thirty days/ sixty days/ or hundred and eighty/ because we have different suppliers who offer us different from thirty sixty to ninety/
35 KS: ()
36 RM: actually we prefer to go on e:r . on the CAD basis/
37 KS: CAD/
38 RM: yes/
39 KS: e:r . well as you understand in any supermarket operation e:r we need to have credit so that we can have the turnover/
40 RM: mm/
41 KS: most of the suppliers in fact all of them . current suppliers are giving us from e:r thirty to ninety days credit/=
42 RM: =but are you prepare to give us say e:r e:r use an LC for hundred and eighty days/ we .
43 KS: e:r for . a small quantity if we were to take a thousand a thousand cases of each of them I don't think e:r . an LC is necessary/ our reputation of our company you know is far fetched wide/ we are also e:r well entrenched in the Far East/ e:r
44 RM: ()
45 KS: we are interested especially in e:r . category e:r A A product because if . we were to hit the market and e:r being new e:r yourself/ we will like to hit the market with e:r . a real impact if possible/
46 RM: ()
47 KS: e:r on quantity wise a thousand cartons is no problem/ we will like to have a longer relationship/ suppose we were to use our own brands/ all right/ e:r=
48 RM: =right/
49 KS: a and e:r if we were ready to attack the market e:r . we propose that we share advertising costs/ right/ . e:r half half fifty fifty let's say/ and e:r really go into the market . and . hit the market/ . e:r would that be agreeable/ . this first point/ of course we are new in this market we=
50 RM: =right=
51 KS: =we like to market this but e:r . are we going to have an exclusive kind of arrangement or:
52 RM: y- . yes I was coming to it/
53 KS: e:r right e:r why not we have a trial period say from e:r . six months/ but what is your expectation of the market e:r consumption/
54 RM: [e:r
55 KS: for] these three products/
56 RM: we have our . twenty-four supermarkets and e:r we believe we have the networks e:r

for sales and all the supermarkets are doing well/ every new product we introduce when we really go into it go into it aggressively we can sell the product without any major problems/ and we have done a survey erm especially mayonnaise coffee and juice currently they're the hot item/ and you know the festive season is coming in about four months time/ and this will be picking up like hot cakes so we are really going into it/ so we are thinking of erm . term contract say we start with six month and if things agreeable we can extend it er maybe er yearly . kind of thing/

()

and that would help you in your economies of sale and production because it would be bigger quantity we would take also/

you see in Japan for instant coffee . we are the biggest/=

=mm

er manufacturer in Japan/ . er we capture about forty-five percent of the Japanese market/

right/

so even with local I think some of the . Japanese supermarket are even quite willing . to even er taking from us from from this er product/

mm/

which . we foresee it can it can be of er . of great potential here/

m-hmm/

s- before . we like to enter into mo:re erm . closer kind of er agreement with [you/ right/] yup/

so: of course we are looking into three product together/ I would say our instant coffee we can market quite well/

[mm/

because we have been approached by some of the local er Japanese

[right

er] supermarkets/ so I hope we can work out together fo:r for some kind of arrangement/ so fo:r I think . I mean to be . to develop together of course we have to come . er . in pricing/ and in term of quantity/=

=m-hmm/

for us to stay in this market/=

=right/

()

I hope to develop for actually . er for frozen . juice/ . I think we have the potential here/ I have done some market survey/ before I come here/ so I think we have a potential of selling about . four thousand cases a month/

mm/

()

s- . can you really take up to that quantity on your projection wise/

frozen juice/ four thousand cases a month/ pretty steep order because considering that erm it's a new brand/ erm . we: . would like to go in er stages first er . slowly assessing the market as we sell/ er we would er not want to .

mm/

you know bring in four thousand and get stuck with it you know/ er perhaps maybe with er we're thinking of erm . in stages erm . two thousand shouldn't be a problem for .

juice I would say/

()

and how about instant coffee/ I mean for .

instant coffee erm we can increase that quantity/ I'm talking about erm six month . kind of er period yah/ . erm . five thousand cases no problem at all/

()

perhaps we can make such arrangement/ I give some . this proposal to you/=

=yes yah/

we will try on one thousand cases each/

m-hmm/

so er I'm prepared to to give er on a package kind of er er supplies/

right/

for a trial market/ . and er . especially on this mayo- mayonnaise is . we are new in this product/=

=m-hmm/

so . on a pricing wise er we are . we are willing to: to give certain discount/

right/

in comparison to our market in Indonesia and and in er . in er Japan and Hong Kong er I'm sorry in Taiwan/

right/

()

so for instant coffee because . we have already a s- erm a known . market price .

[m-hmm

in other] markets/

right/

so we cannot adjust . too much in term of variation/

mmmm/

because .

understand/=

=some of the . some of the consumers of course like the . er Japanese here/ they have known the price . elsewhere/

mm/

so we cannot be too far . er . in term of pricing [apart/

I see/] . yes/

so for frozen . juice it is because we are established in other markets/

m-hmm/=

=so we have a set of marketing policy/

right/

so we cannot give too much adjustment/

but of course . if we can hit the volume say four thousand cases=

=mm/

a month . then we can we can readjust our pricing/

the pricing/ yes/ all right yah/ erm as I said coffee ah taking up to five thousand cases is no problem/ erm

()

for the juice erm two thousand is no problem/ for the mayonnaise also . to us five

		thousand cases is er . not a big problem/ ()		135	KS:	so er . and for A price . I think it's not a realistic price/ [m-hmm/
		e:rm . now the only thing is that erm coming back to this erm credit thing erm would you give us erm certain kind of credit thirty days sixty or ninety/ . since we taking almost twelve thousand cartons already/ at the start/ ()		136	RM:	I've] made some references er in the in the local market/=
		a:nd bearing in mind that you are new in the market/ (laughs)		137	KS:	=right/ like instant coffee/ like Maxwell like Nestle/ . they are selling at e:r . at . I mean more or less the pricing wise is er . e:r around er . G . er / price level/ m-hmm/
111	KS:	we have four other suppliers currently already/ . er we are very confident we can sell your product/ but er with our own brand/ because we are really going to hit it through cinema advertising er television and radio/ and really promote the product/ ()		138	RM:	so for for our concern for that and er our brand is comparable to them/ [m-hmm/
112	RM:	I think for er a credit term I mean we are prepare to: to come . with e:r certain . extending certain credit to you/ right/ and since this is a test market for a thousand cases [each/ mm/]		139	KS:	because] it's well known in the Far East market/ right/ so as I explained to you we can't make too much of adjustment in term of that pricing/ right/ of course we come to . say e:r five thousand cases four thousand cases a month we can grant you certain marginal adjustment on the price/ [m-hmm/
113	KS:	so:: . but we have er er quite a strict company policy/ m-hmm/ because unless we have certain past . I would say performance/=		140	RM:	but as] I say w- . our price have been we fix within a range/ right= =for all our e:r other countries' marketing/ so if I'm i- if I'm throwing too low a price in Singapore market/ that would jeopardize all our marketing effort/ right/ . er= =and this is just . a few thousand cases because we are selling millions of cases in Japan and in other market/ ()
114	RM:	er: then er we can grant a longer credit/=		141	KS:	yes I see/ so you're in other words you're saying that er . you cannot supply three thousand cases erm . rather cannot supply more than a thousand cases [each you see]
115	KS:	=OK/=		142	RM:	you prefer [to start volume] is no problem for us/ . as I say . the the pricing that we have to give is . if is of a small range we can adjust/ right/=
116	RM:	=so for some new customer it is our standard policy for the company/ m-hmm/=		143	KS:	=because we are comparable to the to the big er roasters/ yup/ like . Maxwell House like er this er it's that er
117	KS:	great/ OK/ er thereafter erm . from there how many months erm what kind of length of period would you consider before you give longer credit/ of course if we come into a certain er sizeable er order/=		144	RM:	[right/ this] e:r Nestle/ yes we: we understand that but erm . as you are aware currently we are having four other suppliers/ and . erm we would like to spread our base of course by incorporating you/ erm .. also . that you must bear in mind that . although your product is selling very well in Japan/ . but it's not selling in our market yet/ e:r you know/ to penetrate a . new market [you know the difficulties/ . to sell that's why for . we'll like to] come in to I mean that's why I come here today/ . for a trial basis/ we like to set up say for a smaller volume/ [right/ but] it is of I think .. because we have . quite a: . quite a long period in this . food manufacturing .
118	KS:	and er we are prepared to go maximum hundred eighty days of [e:r credit/ that's:] yah that's pretty good/ we're quite please with this kind of arrangement/ erm all right so that is er all right with us er we don't want to squeeze you on this credit too because we know that you are new also so I think this kind of arrangement shouldn't be a big problem/ e:r now er we'll be interested to take erm . mayonnaise erm . A category/ same for the coffee and the juice/ but e:r . the mayonnaise erm . we want more than er . a thousand cases/ we prefer if you can supply well say not five thousand cases for a start erm . maybe er three thousand cases of mayonnaise/ . and er . three cases of coffee/ and say er . two thousand cases of er juice/ you mean this is fo:r . for as a start er the first order/ can you do . can you do it/ is there any limitation/ taking three three two/ in e:r . A category/ ()		145	KS:	KS:
119	KS:	in fact . for a start basis as I as I plan out to you is fo:r a thousand cases each/ m-hmm/		146	RM:	RM:
120	RM:			147	KS:	KS:
121	KS:			148	RM:	RM:
122	RM:			149	KS:	KS:
123	KS:			150	RM:	RM:
124	RM:			151	KS:	KS:
125	KS:			152	RM:	RM:
126	RM:			153	KS:	KS:
127	KS:			154	RM:	RM:
128	RM:			155	KS:	KS:
129	KS:			156	RM:	RM:
130	RM:			157	KS:	KS:
131	KS:			158	RM:	RM:
132	RM:			159	KS:	KS:
133	KS:			160	RM:	RM:
134	RM:			161	KS:	KS:
				162	RM:	RM:
				163	KS:	KS:
				164	RM:	RM:
				165	KS:	KS:
				166	RM:	RM:
				167	KS:	KS:

168	RM:	[m-hmm		198	RM:	yes actually it depends on which side of the table you are/ (laugh)
169	KS:	e.r.] . we know the pricing for others and the cost for others/ . and . this actually is quite a high margin kind of a product/		199	KS:	yah/]
170	RM:	m-hmm/		200	RM:	e.r. what do you propose then/ what kind of categories/ . package deal/ do you have anything in mind/
171	KS:	for you to display in the in the in the supermarket/ and e.r. for longer duration we are willing to go up as I say hundred and eighty days/ like other supplier I presume they go on sixty days/ . maximum ninety days/ . that's why I'm willing to extend my credit for for your sales in this market if you come to a sizeable volume/ for a start . we prepare for the forty-five days credit/ . and even . of course if . say you can't market our product/ . I'm quite prepare to . to take it back even from the shelf because this is a test market for us/		201	KS:	I think juice is quite . standard here/
172	RM:	[I see/		202	RM:	right/
173	KS:	but for] pricing wise . I cannot adjust . too much because we have a world kind of standard control price/ for all the different market/ . as I explain to you in the Far East markets/		203	KS:	and I think among the three juice price is the most profitable/=
174	RM:	()		204	RM:	= [right/
175	KS:	right mm/ erm what if=		205	KS:	for] . you/
176	RM:	=but how about if we come to . a agreement/		206	RM:	right/
177	KS:	=I mean . it's a little bit difficult for us to adju- I mean adjust price for for . for three items together/		207	KS:	that's why . I would suggest for juice and coffee we stay at / price/
178	RM:	[mm/		208	RM:	[m-hmm/
179	KS:	but] I can talk to my . to my management/		209	KS:	and .] mayonnaise we will stay at . G price/
180	RM:	mm/		210	RM:	G price/ oh . e.r. what if we were to give you certain kind of guarantee like er . OK we take . a a minimum quantity a month/ right up to: six month/ with option to extend to a year/ we will sign a contract erm . taking a guarantee of er . the kind of quantity we take/ erm . even if we can't sell we will take it/
181	KS:	for all three together/ the juice coffee and mayonnaise to: to make it a package/		211	KS:	what is the volume which you are targeting/
182	RM:	right/		212	RM:	erm five thousand cases of each .. [item/
183	KS:	say . we can come to a a price/ you you mention . actually three A price/		213	KS:	OK/]
184	RM:	yes/		214	RM:	all right/ for the first six months with option to extend to a year/ . erm that kind of guarantee and whether we sell or not that's our business/ all right you just give us your supply/ OK we give you this kind of er guarantee/ . and of course erm . our under our own brand right/ e.r. in this kind of instance . and . you know we'll be doing advertising and er . going for a new product altogether/
185	KS:	i-i- it's it make me sad/ (laughs)		215	KS:	I'm sorry I mean for brand wise/ your brand or my brand/
186	RM:	[(laughs)		216	RM:	er our brand/ . we'll put our brand in there/ . because we are taking volume here and er
187	KS:	because] . I mean it is not a realistic price/		217	KS:	!?]
188	RM:	m-hmm/		218	RM:	yes but that's why] on the marketing it's it makes a difference/
189	KS:	I make a . a market survey/		219	KS:	m-hmm/
190	RM:	right/		220	RM:	because if it's under your brand/
191	KS:	and I especially come here to see you/ e.r. to: to see the potential of selling some of our product here in this market/ if I come if I go back to to my to my manager and saying oh I've done . even . ten thousand cases each for these three product/ and by giving A price/ I'll lose my job/		221	KS:	right/
192	RM:	m-hmm/		222	RM:	and if for advertising we have no part in this because it doesn't benefit us/
193	KS:	[(laugh)		223	KS:	even whether it's short term or long term/
194	RM:	the next day/] so (laughs)		224	RM:	[right/
195	KS:	[er		225	KS:	I I] don't really look into this one thousand [cases/
196	RM:	so] I think we must be reasonable in our pricing/		226	RM:	mm/]
197	KS:	of] course you have you are the largest supermarket e.r. chain here in Singapore/ but I I do appreciate you can give us a fairer price for for these three items/		227	RM:	as I say I look for a long term relationship/
				228	KS:	yes/
				229	KS:	I hope you can of course the market potential here is maybe for the whole market can cater for for fifteen thousand cases/ . e.r. for for the whole Singapore market/ so I would like to market to have as much of the market share as possible/ but on the beginning I think it will be difficult for me/ if I just supplying you the . the item itself . and er . it would be . I I would prefer of course on volume basis/ but for a start I'm just looking for a thousand cases/

230	RM:	yes erm yes/ we are aware that/ a thousand cases but erm as I was saying erm . we will sign a contract for six month basis/ option to extend to a year/ quantity is no problem/ but erm on a pricing wise erm I'm afraid we cannot do with er price I for coffee and juice and mayonnaise/ erm . our the best we can do to penetrate new market is the A category/ if . your brand is already established in the local market erm no problem taking I or G but we erm . are afraid we'll be encountering severe competition from the Europeans and Japanese here/ er as you know there the . many brands here and it's very difficult/=
231	KS:	=right/
232	RM:	I: we are virtually making a loss after we even . move the car- cargo from your warehouse/ erm there's no level[age for us
233	KS:	no no . j Ronnie I I think we are all in this market for for a long time/
234	RM:	right/
235	KS:	and for a supermarket . of course we: unless the items you're not selling off the shelf/ it is . not profitable [I mean/
236	RM:	m-hmm/
237	KS:	usually . we provide mark up/ for . for you/ and er of course like for er a cof: instant coffee and juice/ as I say .. our brand is known to the world/ for example I quote you like Maxwell/
238	RM:	mm/
239	KS:	which they are not selling here in Singapore/ er maybe five years ago/ but now . they are selling quite well because . it is well-known in the States/
240	RM:	right/
241	KS:	that's what actually today's . marketing and supermarket at like Safeway/ they are selling they are selling their goods well/ here in Singapore which they are the biggest change in the States/
242	RM:	right/
243	KS:	so for for like us . the brand . itself it carries weight/ because . first our quality is guaranteed/
244	RM:	m-hmm/
245	KS:	consumer they know what are they getting/ . and foreigners I think . I mean the supermarket actually the great proportion come from . foreign er o:r expatriate working here in Singapore/=
246	RM:	=yes=
247	KS:	=so . it's easy for them to pick from the shelf/
248	RM:	right/
249	KS:	because . they already . have the purchase kind of . habit in in their home town/ so . our I don't see: . actually: . er . too much of difficulty for us of selling the the two items which I can mention to you is well-known to the market/ on the new product itself that we are marketing of course . we have to cut we have to take time to develop this brand/ [mm
250	RM:	but] . our brand name . do carry weight/ so . actually I would suggest . for the beginning/ we we market . our brand and I'm willing to to put in . the percentage of sharing of advertising . in Singapore/
252	RM:	OK [if
253	KS:	car]ry . carry our our brand/ and of course . I think the mark up here it is quite standard/
254	RM:	and . for man- manufacturing point of view/ unless . we are selling like . twenty o:r or fifty thousand cases/ is worth-while for us to pack for you in your . under your brand/ if you're selling say under five thousand cases/ because that would not warrant us because we have to change our own production line to cater your brand/ your your packing and so on/ so . so it's not economical for us to do that/ so if we pack on the standard packing with our standard brand/ so . for selling a few thousand cases I think it's worthwhile/
255	KS:	right for . erm you did mention earlier that erm if it is our brand you would only give us erm G I // OK right now if we were to use your brand/ what's the best you can do/
256	RM:	I'm prepare to to take . for . for co- for instant coffee at at H price/
257	KS:	m-hmm/
258	RM:	and the juice at H price/
259	KS:	m-hmm/
260	RM:	()
261	KS:	and for mayonnaise at .. I would still maintain at G price/
262	RM:	then there's no difference between your brand our brand for mayonnaise [at all/ it makes] a difference because . it is it is the brand that carries/ correct/
263	KS:	()
264	RM:	it is the brand that carries the the marketing/ for you to s- to sell it is . your o:wn . your own brand/ it may take time because . it's not easy to especially like coffee and juice/ it is a very brand conscious/ I think all the three items/ I'm not emphasising the first one because . it is a new item to us/
265	KS:	()
266	RM:	so it is a very brand conscious thing because . for example the the the coffee/ in the past housewife they buy from market wet market but now they are buying from supermarket/
267	KS:	right/
268	RM:	so . consumer are getting more and more brand conscious/
269	KS:	()
270	RM:	so I think . it is both . for our benefit/ not my benefit alone/ that we can . I'm willing to go in a exclusive . arrangement/ I think it's . like I I know like er . the the Nescafe and er: De Montel juice/ they're not on . on the on the exclusive with your supermarket/
271	KS:	m-hmm/
272	RM:	but we are willing to come on the exclusive we do not sell elsewhere/
273	KS:	m-hmm/
274	RM:	on the retailing even on the retailing side/ so I just you are my first customer here in Singapore/ that's why . I'm prepare to to come here . to even to sign an exclusive arrangement/ and pricing . because we are: . we we are: we are manufacturing millions of cases a [month/
275	RM:	m-hmm/
276	KS:	we can't just because . of a Singapore market/ to to realign all our our pricing structure/ so Ronnie I I hope you can . appreciate our . my situation/ of course as a salesman or a sales manager . in in the regional office er/ I I like as much as to sell . as much as possible/ and it's my first assignment in Singapore/ of course I would like to make it successful/ my my first trip here/ so: er but we we I'm . I'm limited/ my hands are tied/ of of the pricing that I can adjust/ I'm offering you the the best . which I can/=

272	RM:	=m-hmm mm . right erm . yes er we know about all this er supermarket er the the tactics strategies of supermarket selling as you are aware we have twenty-four supermarkets and . selling all kind of products we know about the difficulties/ er as I mentioned er although your product is selling well in Japan/ . but it's never been in this market before/ and . whether it's your brand or our brand er/ you do not have network er/ you only have regional office here/ we have a current network erm	298	RM:	right/
273	KS:	right=	299	KS:	so . you are the retailer I'm the manufacturer/ if I'm selling A price it's almost like I'm selling to a manufacturer and I'm not working on this sort of basis/ so as I say I'm I look for a long term kind of business approach/=
274	RM:	=right from supermarkets twenty-four supermarkets half of which is operating twenty-four hours/ . it'd be very costly if you were to go into this venture alone I do not foresee how/ and we are the biggest around/ and also you must appreciate that erm . we are: taking from four other suppliers already/ and currently the competition . is very severe:/ for mayonnaise coffee and juice altogether there are about let me think er . about eight other brands in the market already/ to have a pricing of er . anything below w . A is er totally unworkable at all/ I'm afraid/ . it's not possible to [er	300	RM:	=yes [erm
275	KS:	RonJnie I think I mean we: it is a sp- a relatively s- small volume I mean you're marketing maybe like five six .	301	KS:	which]
276	RM:	[m-hmm/	302	RM:	long term yah we (laugh) we have many other products we started off also on long term/ erm many suppliers they started off by giving us like you/ not even some even better/ sixty days credit some . thirty days credit doesn't matter/ [but erm all started and then relationship is established already/
277	KS:	thousand] cases/	303	KS:	this is . OK I mean we come to . we come to . we come to [mo:re . mo:re er down to earth I mean . I know the the general te::r er prices that's selling/
278	RM:	right/	304	RM:	right/
279	KS:	a month . of course I . it would be difficult for you as well as . to: maybe to take . one shot that market our product alone . [er	305	KS:	in the supermarket/ I think your price . and Cold Stor[age
280	RM:	I] mean that's the thing you see/	306	RM:	mmm]
281	KS:	[yah	307	KS:	and other major . supermarket are are roughly the same/
282	RM:	we] are giving you guarantee/ the difficulty lies on us not on you/	308	RM:	[m-hmm/
283	KS:	yes/=	309	KS:	because] . like juice coffee and mayonnaise is er more or less . is er a marginal difference of=
284	RM:	=we'll take the product/=	310	RM:	= [m-hmm
285	KS:	=that's why I mean I I come here not just selling for your guarantee unless you guarantee me for the next twenty years/ I mean selling this sort of finished product I I'm looking our company is looking out for long term/	311	KS:	of of] er of pricing/
286	RM:	right/	312	RM:	right/
287	KS:	I mean I can easily sell else where at a very cheap price/ . for say for price that for for five months or say add up together . twenty-five thousand cases each/ . it doesn't make me: for for me to I'm not . just want to a market just	313	KS:	so . I do not know how much of er . price you pay for like from other supplier/=
288	RM:	[right er	314	RM:	=yes/
289	KS:	dump my] product there and I I fly off to another place/	315	KS:	but like other supplier . you are . you're buying direct from me as a manufacturer/ but . I know in Singapore/ all these products are controlled by importer/ they're sole agent/ .. like er juice they have . there are sole agent here/
290	RM:	yes/ . [I know that/	316	RM:	[yes/ . yes/
291	KS:	I I like to] develop . a long supplying and relationship/=	317	KS:	so does coffee/ for the first item . I'm not so certain about/ because we are new in this field/ so . if you are buying from me it is of a very different basis from a agent . here in Singapore/ because . we are the one who manufacture/ and . prices can be fluctuate because of world supply/ of raw material/ and we are the manufacturing we we can control the price/ of course . today price I'm sure like . maybe few years back the price is much higher because of raw material cost/
292	RM:	=we we know that/ we also like to have a long and [lasting relationship er	318	RM:	[m-hmm
293	KS:	so by by having a A] price I think it's just as taking for a raw material/	319	KS:	and you] have to realign all your pricing and that affect your your your your marketing on
294	RM:	[m-hmm/	320	RM:	[yes/
295	KS:	I [put] in my factory get the final goods and sell it as a more or less as a finished as as a not a kind of a brand thing/ or a kind of a packing which going to the consumer it's like selling to manufactur[er .	321	KS:	your] on your retail price/ so I can give some sort of . er assurance to you/ as a manufacturer we don't adjust our prices that easily/ but . as a importer as agent here in Singapore/ they are different/ I mean they are not the manufacturer here/
296	RM:	er] right/	322	RM:	m-hmm/
297	KS:	based/ . that we can do it on a different basis/ but . I come to you as you are the supermarket/ you're retailing/	323	KS:	so you have you have an advantage/ and I'm willing to come here/ I mean you are the my first . I would say potential/ er client to to buy direct from er er manufacturer base/ so I think that is very much added to your advantage/ if you in- if you if you compare to other source of supply I know who are the other supplier because I've done my my

324	RM:	homework before I come/ right/	342	RM:	can't really . accept . your . prices which . I know it is not a . a realistic price for me to : . I mean . it doesn't even make a manufacturing point of view to make a margin out of that/
325	KS:	so . in term of that I think I I roughly can gauge what kind of er margin of of profit/ . first the manufacturer in those er agent have to get is one thing/ the agent here in Singapore they have to make some profit/ or else they are just doing job for nothing/ and they will make some pro- added some margin of that/ and setting a H price I think we are below others/ . I know that we are below others/ . of having set such kind of and of course: it takes time to dev- develop this/ but . I don't see would be a major problem I mean as I say I mean . from our main I mean first meeting/ at- although it's er not formal it's a social basis/ right/			right/ . er just to er . er push a point erm/ . we buy only dired from manufacturers we do not buy from agent/ . er that is why because of volume we can do that/ . and . all our manufacturer who supply us . give us . A category/ er we don't negotiate anything further than that/ no agents deal with us/ just to let you know/ . er . the other thing that we have done our research very well here and er . we found that anything below . A category is impossible we cannot work at all/ ()
326	RM:	and er I have some background of your company/ er you're quite . I'm quite impress/ [thank you/ by your] by your set up here in Singapore/ but er . you're the n- not the . only supermarket chain in Singapore/ and . I can see the supermarket business is a growing business here/ . other big er supermarket change are setting up here/ right yah/ =	343	KS:	() that's it I hope you appreciate our problem/ () as for erm giving us a fixed price for over a two year period [erm .
327	KS:	=so . for this item as I say . the the whole the whole Singapore market can take much more in in quantity/ . I'm coming here to you just on the maybe . five percent of the market share/ it's not very substantial for that period er for that kind of volume/ so .	344	RM:	mm] our manufacturers er some of the contracts we have with manufacturer are flexible in the sense that there's escalation and de-escalation costs erm/ . like for example coffee the world price for coffee goes up/ . they will increase their price/ we will increase our prices to the consumer/ if the prices comes down/ . they will adjust it down and we will adjust it down also/ er we prefer this kind of arrangement/ we do not want a fix price for two years/ for example a year later price of coffee . were to . come down . just . drop like crazy and . you giving us the same price and . it would not be workable so we . prefer this kind of adjustment/ we can absorb er if the market price were to go up/ ()
328	RM:	as I say my price is a realistic price market price/ on the manufacturer point of view/ . and like other supplier I mean the the sole agent here they have to because . they have to make some profit and they carry stocks/ . and we carry stock for you I mean in a sense because . you can tell me OK for each week/ what is the quantity I can ship in the container/ . save . of course this one thousand cases is a a is a trial . er basis/ but . if I can adjust all my shipment to you according to your need/ you say OK Lim . I mean this month we're not selling well/ can we . can we delay our next shipment for five weeks/ =	345	KS:	now I . I I mean . I do not know . very much in the Singapore . context . but . I mean for for the world wide . supermarket er retailing/ . I mean . maybe Singapore market behaviour di- did not as . as . in . other er market like er . Japan or even in the States we have make er some [survey/ m-hmm/]
329	KS:	for two] weeks/ m-hmm/ I can make that sort of flexible adjustment/ but . not the local agent here/ right/	346	RM:	have make er some [survey/ m-hmm/] for consumer they prefer . on the price which is more stable/ yes/
330	RM:	because they are bound by . the others manufacturer they have to keep on . getting the supply in/ and they if the if not selling I mean they have to readjust their price/ . as I said this price . you can fix .. for a year/	347	KS:	I mean . on goods on the shelf on the supermarket I mean . they don't change overnight/ = =oh no no no we're not [yah
331	KS:	m-hmm/ o'r er two years/ . I'm willing even to do up to that extent because . that material itself it is/ . I mean the price can fluctuate/ other manufacturer they can readjust . m-hmm =	348	RM:	sta-] saying that the prices change on the shelf at all/ we're saying that whether the price come up or down . er we negotiate with the [manufacturer and we absorb the price/ . but the supermarket price we don't change at all/ that's why on on on today . to- today on the .. that's why on] today . on the juice . price coffee price and . mayonaise price is . is more or less we . if I if you check on past record I've . on the import statistics on . on the . on the figures . given by the . Singapore Trade . er Development Board/ . I can see . I mean today's price . is even slightly lower than . eight years ago or ten years ago/ m-hmm/
332	RM:	=their marketing price/ . but I'm willing to . for this . up to er five thousand cases/ . a month/ . for that . on the of course I would like to try the market first for the first order of one thousand/ . for up to five thousand cases/ I'm willing to set a price a fix price for duration of two years/ ()	349	KS:	if you don't see . I mean today's price . you will . you will . I mean it can drop much further if you con- . consider the inflation/ . the standard of the cost of living here/ . and . consumer are can afford I think if this price/ and . and I think our prices that quoted to you/ I think is . of . very . reasonable/
333	KS:	that's why I'm I'm very sincere to come to you/ to market our product/ and . I . it is . I	350	RM:	
334	RM:		351	KS:	
335	KS:		352	RM:	
336	RM:		353	KS:	
337	KS:		354	RM:	
338	RM:		355	KS:	
339	KS:				
340	RM:				
341	KS:				

356	RM:	()	and . I I don't want to just for for the sake of er of this . few thousand cases of our food product/ and we can't afford to . to spoil our own .	377	KS:	I mean as a small manufacturer it can't survive any any more be[cause
357	KS:	right/	marketing er on our pricing structure/ . in the first place erm I come I already make it . quite er clear . to you all/ on . our company point of view . I mean . we have to maintain a certain structure/ . because er . we don't cut off our sup- . supply just because er of . because we are big . manufacturing base/ and we keep all the . the world wide supply on the on the consistent . er pricing structure/ . I'm willing to give a little bit more er . ingredient . in it for . for . for . for try for this . one one thousand cases/ how 'bout we come to . a compromise/	378	RM:	right/]
358	RM:	()	what do you propose/	379	KS:	we are doing on the in the in the bulk . volume/
359	KS:	we propose for for juice/ .		380	RM:	mm=
360	RM:	m-hmm/		381	KS:	=in order to keep our price stable . for our cost of manufacturing . scale of economy/ and . for small . manufacturing base . that's why in Singapore you don't see . I mean tho:se er . manufacturer can survive here anymore are those big er . manufacturer/ I mean those big manufacturer for their marketing as I know they got a sole agent/ so even you place your order with them . is is a more or less a recommended control price/ and if you're telling me A price B price . I think you've given me a . a very er distorted picture . from from our understanding/ because I do not just selling my product in Singapore/ we are . compete with other manufacturing . ah- in other mark α /
361	KS:	we maintain at H/				right/
362	RM:	m-hmm/		382	RM:	and . especially in the . in the Asia market . it is a growing market/ you are buying from
363	KS:	for fo:r for coffee . we go down to G for and for mayonnaise . we keep to the G/		383	KS:	Europe/ the cost of manufacturing in Europe is much higher than here/ . in Taiwan and in Indonesia/ we know their cost/ the cost of manufacturing in Australia . is is much if you thinking of the supplying base/
364	RM:	()	G G H . I see/ erm . now the . the crux of the matter erm erm . is that erm . we are facing severe competition from other brands in the market/ . and . your product whether it's your brand or our brand we . the first time into this market/ and we have done our costing and pricing on advertising and outlay and all that/ to to work at G anything below . A is very difficult already/	384	RM:	m-hmm/
365	KS:	[Ronnie that is .. I mean A A I mean you keep on telling me A .		385	KS:	America/ . Europe/ . and Australia/ . their cost are much higher and . I'm a manufacturer I know what are the cost are . and I mean this . to you is a added value because of your retailing outle α /
366	RM:	perhaps . er . can . just er . no no just let me] finish/ er perhaps maybe . er if A is difficult erm . we would be willing to . consider maybe B cat- category but . after a certain length of period er we would		386	RM:	right/
367	KS:	[(laughs)		387	KS:	we know very well of the importance of retailing/ that's why . if you come to me as . giving me a level which . even up to D/ I think it is . a price which is on a manufacturing point of view it is . not . feasible/ and I don't see how as a as a big er supermarket . er change er supplier can . er would like to go for another short term basis to buy product and then shift/ because . quality is very important especially in today's market/ I mean . Singaporean now look for quality product . and we can guarantee the consistency of of quality/ that's why you do not source your supply from a local/ . manufacturer/ I mean you source your supply from Europe . or other er foreign or other big manufacturer/ to maintain your quality . control/ . to to maintain your packing standard/ . and to maintain the price as well/ so I come to you I I know who are my competitors . in this source of er supply . I know them because . we are compete- competing in other market as well/ so I come to you as I've some knowledge . in this product/ . and as I say . I come to you . I'm not just . today I I put my product in at this price/ and tomorrow if I'm selling well I readjust my price upwards/ I I'm not doing that to you that's why I'm I'm prepared to come to a point to sign a longer term of of contract with you/ I hope you can see . I mean my sincerity of coming to you of supply/ although the quantity I'm setting . say one to three thousand . cases is is not very substantial to me/ . but looking in term of the . the market here I think it it warrant er my effort in/ so by coming here just selling a thousand case actually . I mean it it cost me more/ . instead of spending two weeks here . I mean of . the cost I incur/ but I'm willing to to work . . into this market/ that's why I I come to you with a proposal not at a price that is out of range/ I come to you as a reaso- er reasonable . pricing . structure/ selling my . my product here and . as I said it is . I it should be i- it and it ought to be accepted . brand/ or accepted quality/ .
368	RM:	want to go back to A category/ I mean this is the best I may be able to persuade the committee] to accept/ beyond that I'm afraid it's very difficult/				
369	KS:	[er .				
370	RM:	you're] really pressing me Ronnie I mean=				
371	KS:	=I'm not pressing you/ it's a matter [of er . plus plus and minus				
372	RM:	you are because . I I I] I know I I mean although we are new in the market . I know what are the prices . as a manufacturer I know what are the costs=				
373	KS:	=m-hmm/				
374	RM:	incur/				
375	KS:	right/				
		for for most . even you are buying from . I know I mean maybe your order place with the manufacturer direct . but all of those . that establish brand in Singapore . I know that they got a agent/ er I mean whether you- your order place with the manufacturer . er er the manufacturer/ but still . have to go erm a pricing control because . now there are maybe for juice and coffee . there are about ten . world-wide major supplier for this/ m-hmm				
376	RM:					

388	RM:	[right erm	416	RM:	mm]	you have you have you must have done some . some research or some . some . survey .
389	KS:	because . I mean we know . we are in this . manufacturing line for . for the the last fifty	417	KS:	of our quality standard/ . whether it's acceptable/ . or not/ . so I mean . I mean we: both	of us I mean we have in this . business .
390	RM:	years/				
391	RM:	right/ [erm	418	RM:	[right/ yup/	maybe] or or your company have been in this business for: for . for a long time/ . that's
392	KS:	so we] have our experience in this .	419	KS:	yes: [er	why I mean . we we ought to be more=
393	KS:	and I Ronnie I I hope that we we talk more on the . more on the . realistic kind of				=as I said erm we have done our survey and calculation erm . from a P and L er outlook
394	RM:	pr[ces/	420	RM:	erm we'll not be making money/ in fact we'll be losing if we take anything an A/ but .	
		er: I . right yah erm . just to clear up a point or so er . we do buy from local also/ it's not				
		a it's a fallacy to say that we do not buy from local/ in fact . more than a quarter of our	421	KS:	[(laughing)	to say that erm we're not giving you a chance/]
		products come from local here er of course we buy the best quality also/ erm we do not	422	RM:	[no you're in (laughing)	
		buy anything that is second hand . right our reputation of our supermarket name is .	423	KS:	[no right erm] . no no no . erm let me finish please/ . er perhaps maybe we'll consider .	
		very important/ the other thing is that erm . from your point of views that er the best you	424	RM:	taking B for the juice/ all right/ we won't press you for that A/ er but we would still	
		can do is G G H but er from our mathematics . and our projection . er we think that the				maintain er A for mayonnaise and coffee/ beyond that I think it's very difficult
		best we can do is the A cate- category/				
395	KS:	[(laughs)				I don't [think
396	RM:	so in] this instance I'm afraid that erm we are proceeding nowhere/ erm we cannot	425	KS:	for] coffee say again what price you .	
		adjust anything lower than that/ . so I suggest that maybe you would like to review go	426	RM:	we'll still stick on A for mayonnaise and coffee/ but for the juice we . may be willing to	
		back and review and . give us a call again erm . if you can do anything better/				take B/ . all right beyond that I think is er=
		()	427	KS:	=Ronnie I mean . we .	
397	KS:	H . I don't know- I I'm perhaps I'm new here/ I'm of . of disadvantage/ . of not	428	RM:	[very difficult	
		being here earlier/ or I should be here rather . er a few years back/	429	KS:	we started off] . I mean er . I mean this one thousand case I mean as I say I mean . I . I	
398	RM:	(laughs)				do not mind even selling you . at er A minus one price/
399	KS:	but . I mean as I as I put forward to you the the scenario . of of today's situation/	430	RM:	m-hmm/	
400	RM:	mm=	431	KS:	I mean it I mean I suffer some losses basically/ I [don't mind/	
401	KS:	=I mean . the . the: all the manufacturer . the . major manufacturer you have shr- you	432	RM:	A minus one/ (laughs)]	
		have shrink . to a a handful actually/	433	KS:	A minus one/ I don't as I say I I do not mind for this three thousand cases/ because this	
402	RM:	er				is I mean for . for dumping some some of our product in this market [I
403	KS:	[all this	434	RM:	right/]	
404	RM:	er .] we are aware of all that=	435	KS:	I mean . even my company make a small losses but . p- purely for marketing is is for	
405	KS:	=yes				one thing but . I I come here as . as as looking into a: . a more solid base of . for our
406	RM:	[er . yes/ . yes/	436	RM:	[right right/	
407	KS:	I know you are aware this but] . as of of a local supply you see I mean Singapore	437	KS:	business] relationship/ I do not want to make one price and tomorrow I'll change our	
		basically . all this er . do not produce any of this raw material here/ so . we source				pr[ces/
		material world-wide/ and our cost of manufacturing is in the Far East/	438	RM:	right/]	
408	RM:	right/	439	KS:	my pr[ces/ so I mean . in order to to make . this business . [possible/ . I mean	
409	KS:	and it it is of I know it is of a very reasonable . level/ and . you have not . Ronnie you	440	RM:	right/ er what's] the best you can do right now you think/	
		have not given me a chance at all/ I mean basically I I make . I mean all my effort here/				()
		. I mean you you giving me like A prices and you're you're not giving me a chance/ .	441	KS:	I I can't that's why I can't adjust my price . in a very flexible way/=	
410	RM:	[er	442	RM:	=m-hmm/	
411	KS:	to] this market/ and I've been very . sincere to you/ that's why I send you . the catalogue/	443	KS:	we are established/ [er	
		. for you to: to: to have a view of this cate[logue/	444	RM:	you]: cannot do better than G/	
412	RM:	OK] erm=				()
413	KS:	=and I am [perhaps				()
414	RM:	right er]				say we take mayonnaise first is there anything you can do . better than G/
415	KS:	I mean you are placing an order . from me . [of course	445	KS:	'cause for the the coffee and the juice we: . we: it is a old product for our company/	

446	RM:	right/	482	RM:	B/ we're taking a big risk erm coming to the B category itself/ a great loss to: us already right now/
447	KS:	so . i- it can't be of a a a order basis that we we destruct our old pricing structure/	483	KS:	() we can't/ we can't make that I mean we we we can't . we can't because of a thousand cases/ . [and
448	RM:	yes/	484	RM:	ah] well we can always take more than a thousand it's no problem to us/
449	KS:	and er is not a matter of profit and loss to us/ it's a matter of . of er of a whole principle/	485	KS:	this is for trial I think we I I I I
450	RM:	right/	486	RM:	er we] are very confident that we can take/ er whether it's trial or no trial we can take/ .
451	KS:	our whole pricing structure/ I mean if I'm selling here in this and there can be parallel trade			the minimum quantity up to you two thousand three thousand/ it's not problem/ we are flexible in that sense that er we can take quantity you produce/
452	RM:	[yes			() and we are flexible in the sense that we can . market your brand/
453	KS:	of] selling this and=			() so we have come down quite erm a fair bit erm
454	RM:	=right/=	487	KS:	[no
455	KS:	=and that . that goods flow to other markets [which are ? then then	488	RM:	not] just on pricing but on other areas also/
456	RM:	yes we we understand that/ er shall we take] er each product erm first negotiate on each product/ let's say juice what's the best you can do/	489	KS:	() I I come . no . Ronnie
		() that's why for coffee and juice/	490	RM:	Ronnie I mean I I I I come here I mean I I'm very sincere . to: the pricing to you/ [and I I I come . no . Ronnie
457	KS:	mm/			right/ er as I said we have done our calculation the best] we could do is coffee erm . B/ and juice B/ erm . that's the best we can do/
458	RM:	our company recommendation is not to go below G/	491	KS:	Ronnie I mean I mean I have . come here . I mean to to talk to you this this morning/ [I
459	KS:	m-hmm/	492	RM:	right/ j yah/=
460	RM:	I mean mayonnaise . I can . I can I can give it to you even without a profit because this is a very fresh .	493	KS:	=I mean the price that you you have . er given to me: I mean . I mean . I I can't say much on that basis/ I mean it's still it's your it's your it's your business/
461	KS:	that means=	494	RM:	m-hmm/
462	RM:	=product for us/	495	KS:	but I I I I feel that I mean you've not been frank to me on=
463	KS:	A category/ . you're	496	RM:	=er [laughs] . I think we have been er very flexible in the sense that we have come down from A to B category/
464	RM:	[so	497	KS:	[you see I mean
465	KS:	talking about/	498	RM:	and that] erm . we are giving it your own brand/ . like you say/ . and we are giving er taking a quantity of er three thousand/ . minimum/ any: anything er we can't sell we will take it/ all right it's our problem and not your problem/ . erm . and also erm . we are willing to take only thirty days credit and not forty-five days credit/
466	RM:	although I talk on the on the G level/ . [each			() OK how 'bout . I give you a longer term credit/ will you be willing to adjust your price/ erm . no we will prefer thirty days credit/ erm we do not need a longer term credit/ thirty days credit and we want some adjustment on prices/
467	KS:	you're] willing to go up to A/ . [in other words/	501	KS:	let us be more . more .
468	RM:	I mean . I I I just . maybe I don't take salary for the next .	502	RM:	I I'm afraid this
469	KS:	[laughs]	503	KS:	[(laughs)
470	RM:	. few months ah/ I I'm willing to to penetrate [. this . market/	504	RM:	the best I can do/ I don't think I can go any lower] already/ already I'm exceeding my authority by . taking off er fifteen days from credit/ and marketing your brand/ taking three thousand [cases/
471	KS:	so . for] for mayonnaise you're willing to penetrate the market/ erm sacrifice by giving us A/ but not for coffee and juice/			how] 'bout OK for . for every . dollar . that you spend on marketing/
472	RM:	yah but as I say I mean . I I			m-hmm/
473	KS:	[am I correct/			
474	RM:	I hope we can] . I mean I do not want to . to make into such an extent/ because . because			
475	KS:	I mean for A price actually for the manufacturing point of view=			
476	RM:	=OK so let's put it this way so er for mayonnaise you're willing to give us A/ but cof- juice and coffee you're not er willing to give us A category/=			
477	KS:	=we cannot make . adjustment for coffee and juice/			
478	RM:	OK . erm . all right/ suppose coffee we will also erm . agreeable to take B/ will that help you/			
		() my goodness [laughs] [no			
479	KS:	we've] come down a lot er in fact we are already [er taking a			
480	RM:	coffee what] price are you willing to take/			
481	KS:				

block could be $\frac{1}{2}$ a pound/ or one pound/ slices would be . ten slices per half

68	RM:	mm/	consequently you have to aim your promotion/ at a certain area of the population/	101	AM:
69	AM:	()	so: you know those on our research would be the best ones/ obviously er it's	102	RM:
			totally up to you how you'd want to buy/ we can supply . on a joint contract both both	103	AM:
70	RM:		sauses/ . we can supply different kinds of cheeses/ .	104	RM:
71	AM:		right/	105	AM:
72	RM:		erm the salmon is just purely one . one specific grade/ ..		
73	AM:		er you have no problems supplying six months a thousand cartons/		
74	RM:		[no/		
75	AM:		not] at all/		
76	RM:		we could do that/		
77	AM:		er if we were to take erm . the tomato sauce er . and cheese er/		
78	RM:		[m-hmm/		
			and er] Scottish salmon/ the brands er the best selling items/ er we would like to have er		
79	AM:		well . maybe six months exclusive rights to sell off in . the market right now/ would that		
			be possible/ as an agent/ for trial period/		
			that would be difficult because we're already . distributing and selling through other		
			supermarkets/ . erm if you wanted we could . create . a new brand/ erm .. we would er .		
			take on the promotional aspect/ .. if you could give us permission to . set up		
			promotional campaigns within your market/		
80	RM:		right/		
81	AM:		we'd do that on our own cost/ but obviously with a new brand/ the er . the wholesale		
			price would be slightly higher/ ..		
82	RM:		hmm/		
83	AM:		if you were to take the . normal branded product/		
84	RM:		[right/		
85	AM:		which] is already . fairly well known/		
86	RM:		m-hmm/		
87	AM:		locally/ . then obviously it would be slightly cheaper/ .		
88	RM:		so you'll be interested in new brand whereby er we get into a venture with you		
89	AM:		[oh yes/		
90	RM:		to promote the product/		
91	AM:		yah/		
92	RM:		because I think that is a good idea/ er as you know we have about sixty supermarkets		
			round and er/		
93	AM:		m-hmm/		
94	RM:		you know the names are quite well known/ . er yah we'd be interested in this idea/		
95	AM:		would you be looking at . I mean as a new brand name under your own company name/		
			or would you want us to er . create a new . a new name/		
96	RM:		er I think maybe er . if it's possible your guys would meet up with our advertising guys		
			and maybe they can . talk more on the brands/		
97	AM:		sure/ ..		
98	RM:		how much price differential would that be/ . with er as against the old brand/ . any		
			rough estimate/ .		
99	AM:		I would say we're looking at er ... well it's going to range for each product/ . on the		
			salmon/ . erm you're aiming at a specialist market/		
100	RM:		right/		

133	AM:	salmon . gives you the . we'll well we'll discuss salmon first/ since you say it gives you the smallest profit margin er/ . e:r and then er cheese comes next and tomato the best . sell seller right/	164	RM:	m-hmm/
134	RM:	m-hmm/ yup/	165	AM:	which may help you/
		e:r .. we are interested in salmon/ but er why not we put the combination the other way round/ since it's difficult to sell and you know . only a small . section of the population takes salmon/ we'll take . the other way round/ salmon twenty-five percent/ . shared cost between the two of us/ . at er and er advertising cost and er . outlay in the supermarkets and all that/ .	166	RM:	yes the normal terms/ [yes/
135	AM:	m-hmm/	167	AM:	what] do you . what do you nor- normally getting from your other suppliers/
136	RM:	and the cheese erm . thirty-five percent again shared cost er we er don't change it/ . and tomato sauce fifty percent shared/	168	RM:	er normal thirty days er per month/
		()	169	AM:	()
137	AM:	is this idea erm .. appealing to you/ ..	170	RM:	I mean we would like to do . obviously a lot of business with you/ e:r .. the normal . interest we would give on thirty days is about one and a half percent above base rate/
138	RM:	so it's twenty-five/ [thirty	171	AM:	m-hmm/
139	AM:	thirty]-five/			erm ... if you wanted/ to help you out/ on a new product/ on a new brand/ we could extend that credit/ . to maybe sixty days/ . but it would really depend on what sort of prices we came to an agreement on/
140	RM:	thirty-five and fifty/	172	RM:	yup that's true/ ... er we have done our survey and that erm . we yeah you're right/ we intend to push the tomato sauce/ erm . right to the public/ . that is why we . would put up the cost as fifty percent because there's going to be a lot of advertising outlay/
141	AM:	right/ . after all salmon is the most difficult er .	173	AM:	m-hmm/
142	AM:	as a percentage o:f	174	RM:	e:r . the salmon would be only twenty-five percent/ the cheese . thirty to thirty-five percent/ . now coming to: credit er . did you say thirty days on one and a half percent base rate/
143	RM:	shared cost/	175	AM:	one and a half percent above base rate/
144	AM:	shared cost on the contract [price/	176	RM:	well er . normally er we get credit thirty days er . half percent only/ . we . have never encountered one and a half percent at all/ .
145	RM:	yes/ yes/ ...	177	AM:	you're getting very good credit from your er . [suppliers/
146	AM:	it's possible/	178	RM:	yes er] . it's also because of our long term relationship and we've cultivated it with them over time/ . er we just take from them other products . you know/ a matter of relationship/
147	AM:	[m-hmm	179	AM:	[yup/
148	RM:	but] er .. you aren't going to get very much . on the promotional side/	180	RM:	and] business just expanded/
149	AM:	[mm/			()
150	RM:	for] the salmon/ or for the cheese/			I think it would help us a lot if we can get er terms like that/
151	AM:	right/			()
		e::rm ... on the normal wholesale price that we are . charging customers/ . I mean our normal price . for the salmon/	181	AM:	e:rm .. I think we might be able to manage that/
152	RM:	m-hmm/	182	RM:	[right/
153	AM:	would be around F dollars/	183	AM:	e]:rm .. we're talking a six month contract base yeah/
154	RM:	right/ ..	184	RM:	right/
155	AM:	now a twenty-five percent increase you're looking . most probably at . around G/ . which really wouldn't cover you very much on the promotional side/			()
156	RM:	m-hmm/	185	AM:	if we had an option to renew the contract after six months/
157	AM:	now .. for full promotion we'd be looking at more like . an H price/	186	RM:	right/
158	RM:	on the: . cheese/ we would normally charge . around E/ . so for an additional thirty-five percent you'd be looking at around . maybe F dollars/	187	AM:	erm ... yah we can most probably give you ..
159	AM:	right/ ...	188	RM:	that would be great/
160	RM:	tomato sauce is . is easier to push/ er if you're going on a mass campaign/ fifty percent/	189	AM:	half a percent/ . but a lot will depend on . again the contract price/
161	AM:	.. the normal price would be an F/ .	190	RM:	right/ .
162	RM:	fifty percent you're looking at . I suppose we could do it at an H/ . if you wanted we could give you credit terms/	191	AM:	erm .. I mean based on the: . promotional figures/ . that you've given me/ I would say that we're looking at er . H dollars on the tomato sauce/
163	AM:		192	RM:	m-hmm/
			193	AM:	F dollars on cheese/ .
			194	RM:	m-hmm/ .

257	AM:	. which which period . do you think you can do it/	290	RM:	fairly good/
258	RM:	we'd be looking at er .. most probably twelve to eighteen months time/	291	AM:	right/
259	AM:	hoo/ that long/ .	292	RM:	it's easy upgrading quality of product/ =
260	RM:	business is . very good for us at the moment/ .	293	AM:	=right
		m-hmm/	294	RM:	but it's very difficult downgrading [quality/
261	AM:	()	295	AM:	m-hmm/) right/
262	RM:	but er ... A quality's . the trouble with A quality is that we have to rearrange our	296	RM:	erm when you upgrade it/ you just . add a little bit more/
263	AM:	production facilities/	297	RM:	mm/
264	RM:	m-hmm/	298	AM:	er now as most of the production is on E and F based products/
265	AM:	to produce that sort of .. product/	299	RM:	m-hmm/
266	RM:	right/	300	AM:	er to start taking . er chemicals a:nd commodity . products out of the production
267	AM:	e:rm . and percentage wise/ . in production terms/ . at the moment it's not viable/ . we	301	AM:	system/
268	RM:	would most probably . only be able to supply/ . across the board/ an E range upwards/ ..			m-hmm/
269	AM:	er .. what if I were to take a combination/ would that help/ . ease the load/ maybe A/ .	302	RM:	costs us a lot more/ . erm . and we'd have to plan it forward/ . now that's why we're
270	RM:	and B or .	303	AM:	saying if you wanted A or B based products/ . we would have to look at . twelve to
271	AM:	well the I mean . no we couldn't really do an A quality on anything at the moment/	304	RM:	eighteen months time/ . on the present level we could only do a E upwards/
272	RM:	m-hmm/ .	305	AM:	okay er . all right erm . suppose we were to take the D/ erm where you're comfortable er
273	AM:	we'd only be able to supply over the next year eighteen months/	306	RM:	within the twelve month period er/
274	RM:	right/	307	AM:	m-hmm/
275	AM:	an E grade quality product/ . if .. we extended the contract time to maybe nine months	308	RM:	we would like the price to be based on the A level/ .
276	RM:	or a [year/	309	AM:	no we couldn't do that at all/ ... we could give you e:r . a D quality product/ . at a D
277	AM:	m-hmm/]	310	RM:	price/ . erm but we couldn't give any credit terms/ .
278	RM:	we might be able to push into a D/ . but . on a six months . contract/ . with a new	311	AM:	m-hmm/
279	AM:	customer/	312	RM:	on that/
280	RM:	m-hmm/	313	AM:	()
281	AM:	er with no guaranteed renewal/	314	RM:	erm I think it's a bit difficult because we really aiming for the A/ . er maybe you can
282	RM:	m-hmm/	315	AM:	come up with something/ .
283	AM:	erm we would prefer to stick to the production facilities we have at the moment/ which	316	RM:	we can look at it/ but as I say at the moment we couldn't do it/ ..
284	RM:	is on an E quality product/ .	317	AM:	right/
285	AM:	right/ . so if a twelve month period/ . what quality can I get/	318	RM:	we can look at the feasibility/ but er . I'm ninety-five percent certain/ . that at the present
286	RM:	twelve month we could push it to a D/	319	AM:	time/ . there's no way we can do it/
287	AM:	that's the best you can do/	320	RM:	m-hmm/ .
288	RM:	yup/	321	AM:	we have to guarantee . e:r .. quality and .. contracts/ . to our present clients/
289	AM:	()	322	RM:	right/
290	RM:	so . if I want A then I got to wait up to eighteen months/ .	323	AM:	e:r . and of course . even though we're trying to negotiate some new business/
291	AM:	yup/ .	324	RM:	m-hmm/
292	RM:	mm.. okáy/ now we really er . we have survey the market and er we have done our	325	AM:	the clients we already have . er obviously are very important to us/
293	AM:	homework/ we really are heading for the A quality/ but erm . since you may have			right/
294	RM:	difficult . in production/ erm . we'll go back and and talk to management/			and if we had a problem in production/ . e:r which meant that we couldn't deliver .
295	AM:	maybe coming . come to a compromise between B:/ .			against contract/ . er we would have major problems with those clients/
296	RM:	well I mean . you see the problem is . on the quality aspect/ . because of a lower quality			right/ .
297	AM:	product/			that's something we can't risk at the present moment/ .
298	RM:	mm/ .			okay/
299	AM:	we have to rearrange production facilities/ .			if you came in and er suddenly took over a large percentage of our sales/
300	RM:	right/			m-hmm/
301	AM:	and . the amount of sales . which are going on . on E based products upwards/ . er are			then of course yes/ . but . at the present time we can't do it/ because . we're pretty much

326	RM:	capacity/ . we're thinking of expansion over the next couple of years but at the present time we can't do it/ .	345	AM:	[and
327	AM:	okay/ . er all right/ erm . all right/ suppose we were to take D/	346	RM:	(laughs)
328	RM:	m-hmm/=	347	AM:	no/ I mean at the present time we couldn't do that/ er and I would I would have to say now that er management will approve anything like that/
329	AM:	=and you review your price structure . in between A to D for us/ . and we guarantee after twelve months . a minimum quantity of er . ten thousand . cases a month/ . would that help/	348	RM:	m-hmm/ . you don't think so/
330	RM:	you're guaranteeing/	349	AM:	nope/ .
331	AM:	we guarantee/ . whether we are selling enough we'll take . ten thousand cartons/ . of each product/	350	RM:	[no credit
332	RM:	()	351	AM:	er we also know that the competition . er may be able to do that/
333	AM:	after twelve months/	352	RM:	mm/
334	RM:	()	353	AM:	but the quality of the product will not be up to standard/ .
335	AM:	so we're now looking at a twelve month contract/	354	RM:	this is the best you can come up with/ D E and F/
336	RM:	right/	355	AM:	()
337	AM:	()	356	RM:	I could most probably give you D E and E/ .
338	RM:	feasible/ but not at all at all er . at that price structure/ .	357	AM:	[mm/
339	AM:	[right/	358	RM:	but I would have to: increase . the interest rate on credit/ . to three quarters of a percent/
340	RM:	erm]			m-hmm/
341	AM:	()			()
342	RM:	we could do it on the tomato sauce/			see so it's the interest rate as against that er/ .
343	AM:	all right/ great/			yup/ .
344	RM:	()			all right/
345	AM:	we'd most probably be looking at e:r E dollars on the cheese/ .			()
346	RM:	m-hmm/ .			and if you were to increase interest rate to one percent what would we get/ .
347	AM:	the salmon is the difficult one/ . that one because we're importing it from Europe/ . that one we'd have to negotiate with our suppliers/ . erm . which is a slight risk in our favour/ . or a slight risk in our ... contract situation/ we'd most probably be looking at an F price/			I could give you er
348	RM:	m-hmm/			()
349	AM:	()			D E D/ .
350	RM:	and what price range for the tomato sauce/ the A level/			D E D/
351	AM:	()			yup/
352	RM:	we'd be looking at D/			so that's an improvement on the salmon/ .
353	AM:	D E and F respectively/			yup/ ..
354	RM:	m-hmm/ .. I mean with a guarantee of ten thousand tons/ . for the twelve months I think we should be able to get better prices than D E and F/ . erm .			mm sounds interesting/ at least er we are moving up right now from . D E F to D E D/
355	AM:	do you think you can get better [prices from elsewhere/			()
356	RM:	yes er actually] of course er . as you know we have . s- er sixty supermarkets and . we've done our research/ and we're talking to . other suppliers at the same time obviously/ erm . nothing hard and fast yet/ why not erm . we . stop here and you go back and do your homework/ to see whether you can come down with between the A to C level/ . with a guarantee of ten thousand cartons/ . half percent . base rate for thirty days credit/ . and shared advertising costs/ . as I mentioned/ twenty-five thirty-five fifty/			okay/ . so one percent base rate we possible . possibly we'll get D E D right/ .
357	AM:				I could give you one . I could give you D E D/ with a one percent above base rate interest rate/ . and I could most probably increase your credit . to: sixty days/ .
358	RM:				yeah/ right/ . that's interesting/ .. erm . all right/ ... we'll study this and we'll come back to you in er two weeks time will that be fine/ .
359	AM:				that's fine by me/
360	RM:				all right [then/
361	AM:				erm] would you like it in writing/
362	RM:				yes erm . sort of proposal may be you can put it down/ and er we'll study it/
363	AM:				[so as
364	RM:				[as soon as possible/
365	AM:				as a provisional we're looking at D E D/ .
366	RM:				sixty days/
367	AM:				with sixty days/ at one percent/
368	RM:				
369	AM:				
370	RM:				
371	AM:				
372	RM:				
373	AM:				
374	RM:				
375	AM:				
376	RM:				
377	AM:				

378 RM: [one percent/
379 AM: above intel]rest rate/
380 RM: right/ .
381 AM: that's fine/
382 RM: all right then/
383 AM: thank you very much indeed Ronnie/
384 RM: thank you/ nice meeting you
385 AM: bye/

- 1 KB: OK Brian so what can I do for you/.
- 2 BH: well we're interested in . promoting . through you . three . specific lines o-of of . foods which we feel .. will be of interest to you/ and .. these are the ah tomato sauce ah coffee and . juice/
- 3 KB: m-hmm/
- 4 BH: and .. I understand you .. your your organization is really split amongst the: er . the high and low income . groups/ so . perhaps we can . help you there with er . with our particular . brands that we've got/ and perhaps I suppose the first thing I should ask you is that if you're . if you're in the market for these particular sort of . products/ ()
- 5 KB: well/ ah yes I think it's important . first of all that . before we er . we get down to the nitty gritty I think it's important that we just spell out exactly what what we're doing and what we're trying to achieve/
- 6 BH: OK/
- 7 KB: erm . er because I think we need to er to set out . our position clearly/ in terms of our market segmentation/ . and who we're trying to aim at/ . erm basically yes you're right/ we have three three medium sized stores in middle to high income . group areas/ . but equally we have eight smaller convenience stores which are in middle to low income . group areas/
- 8 BH: how how do you see the development of that/ do you intend to go on
- 9 KB: well/ I think the answer is er at the moment we're attracting some for example expatriate . er trade/ but I think if you look at it/ . the population in Singapore is er . two million/ or a bit over/ and if we were to erm . to only pitch our store at the expatriates/ even if they drank a bottle of tomato juice er . or tomato sauce everyday/ er it's not going to give us the sort of market that we want/
- 10 BH: right/
- 11 KB: so I think fundamentally what we're saying is that we want to pitch our . our business at . a quality middle of the road . erm store approach/ .. that would have the benefit presumably/ or we believe that er we all know what prices at Cold Storage are like/
- 12 BH: [m-hmm/
- 13 KB: and] er once the word spread amongst the expatriate community that we were there with . good quality goods/ . that at the middle of the range . store level I'm sure that we would probably attract some of that trade as well/ . so I think . er I think that's fundamentally where we stand we're after the . the middle . the middle income/ Singaporean business/ which hopefully by selling quality products we'll also spill up- . uphill as well as downhill a little bit/
- 14 BH: m-hmm/
- 15 KB: erm .. at the moment we . we're currently . obviously we're selling the the same type of products that you're er you have on offer/ . erm . we're buying Italian tomato sauce and Kenyan coffee and Californian . frozen juice/ and . and it's also important therefore to
- 16 BH: understand the different quality of the products that you're . er you're selling if we could come to the tomato sauce/ . bearing in mind that there are difference between local tastes here and erm erm expatriate tastes/ I mean where does yours come from for example/
- 17 KB: o-our tomato sauce is is essentially . er Italian/ and . for our for ourselves we we're erm .. we are agent for a number of of well-known . branded food products/ and . and we also do some bulk . purchasing and packaging ourselves/ and . really and per- perhaps you know that er . we can develop a a brand . for your own particular supermarkets providing the . the er . the quantities are sufficient to warrant . the setting up of the . the printing and so on/ but there's no reason why we shouldn't . develop that and and so develop your own . branded lines if you like so that they become known and and accepted in the market place/
- 18 KB: m-hmm/
- 19 BH: for what they should be/
- 20 KB: I see/ . and and on the tomato sauce I mean what what is the er . do you have sweeter taste ones/ or are they tart taste or well/ . we can we can vary that/ and .. I I guess you know that the f-from our experience in the Singapore market the . the locals tend to per- prefer a sort of sweeter tasting . sauce where . the er the expatriate likes to . er probably is isn't er . is used to a to a more tart . something to stimu[late yes]
- 21 KB: the palate more than anything else/ or to hide the blandness of the food/ . and .. so you know that that's . we we can we can [adapt this to you can blend it as well/]
- 22 KB: to . as you think/ but but for again/ it's obviously a matter of quantities/
- 23 BH: [mm/
- 24 KB: we] can't produce a very small quantity o-of . one sort/ er=
- 25 BH: =mm/
- 26 KB: we we would prefer to have there're a minimum quantities to the .
- 27 BH: sure/
- 28 KB: we've got to think about/
- 29 BH: well I think obviously from our point of view if we're . if we're really aiming for the local market/ with just hopefully a bit of spin off on the other side/
- 30 KB: er we would presumably be wanting to go for the sweeter one rather than the er . than the tart one/ [(inaudible)/
- 31 BH: but don't you think] you'd get a better return on your . on your price if you aim . at that a bit higher on the expatriate market/
- 32 KB: well . a-a-as I say there are . fundamentally the way we've analysed it is that the expatriate community/ . erm . mostly they've got actually smaller families/ . out here in Singapore/
- 33 BH: [mm/
- 34 KB: than] than the local . families/ erm and in half the cases the children are away at school overseas and all this sort of thing/ and therefore we see that even though/ . er yes you might be able to attract a slightly higher price by selling to expatriates/ there are only so many . bottles

38	BH:	[mm] . I guess so/ yes/	64	BH:	well that's right/
39	KB:	of tomato sauce that they want to buy in any one or one year/	65	KB:	but as far as erm . . as assistance with advertising and so on that's certainly something
40	BH:	and having . been with the locals/ they seem to like . tomato sauce with everything anyway/=			which I'd like to er .
41	KB:	=that's right/	66	BH:	well we can certainly
42	BH:	or chilli sauce with everything/	67	KB:	explore/
43	KB:	that's right/ so . so I think that . er you see it may alter when we get to talk about some of the other products/	68	BH:	explore that one yes/
44	BH:	[mm/	69	KB:	erm
45	KB:	erm] . but that certainly I think as far as the tomato sauce is concerned I think we would be aiming very much at that . that sort of area/ . and . the other thing is in terms of the colouring/			()
46	BH:	yah/ [yah/	70	BH:	yah/ tell me/ when you're doing your purchasing I'm really just out of interest/
47	KB:	the] erm . er the sort of vivid greens and vivid reds and everything else seem to be very popular in the local er	71	KB:	what what currencies you actually trading in/ . . because obviously with the fluctuations in the world markets at the moment er what were er and the reason for asking this is that we're . . we don't change our loyalties easily/ .
48	BH:	(laughs) the local er . brands/ I mean presumably you can either add or not as the case may be/=			hmm/
49	KB:	=yah it's a matter o-of really establishing some samples to you I would guess/			between . suppliers/ and what we're looking for is a long term . relationship rather than a short term relationship/ and er we see it very much as a sort of partnership . deal/ and .
50	BH:	right/	72	BH:	and therefore we would want to if we came to an arrangement we would want this to be seen by both sides as being a long term thing [which we (inaudible)
51	KB:	and having er getting you . to determine . whereabouts in the range of the spectrum of colours that you you wish to . to pitch/	73	KB:	sure/ .] we we would certainly . [go along with that/
52	BH:	now when it comes to erm . to own brand versus . er premium brand or or not necessarily premium brand but . a brand which you're already which you already have registered [presumably/			commitment given] on both sides/ but it also interests me where . some of these products come from because a lot of the trading done in er in US dollars or some of these other er currencies this can cause fluctuation/ and we'd certainly be looking initially for a . for a fixed price contract for the first twelve months/
53	KB:	mm/ .] yes/	74	BH:	()
54	BH:	erm . I mean what names have you got/ have you got two or three erm . names which you're already advertising/			twelve months might be difficult/ but . we we feel that we're in the food business/ we're not in the
55	KB:	we the the . there's the there's the the . we . we will market for er the the national known brands of Heinz of Maggie . and so on/ which are are . nationally and internationally . advertised anyway/ but I would have thought one of the I er er one of the . one option that we have open to us is to develop this own brand . syndrome a-and try and see if we can't come to some idea and some . er agreement on er . advertising . within Singapore/ er to develop that brand/	75	KB:	[mm
56	BH:	hmm/	76	BH:	business of banking and finance/
		erm as opposed to the international Maggies . a-and . so on/	77	KB:	mm/
57	KB:	well I'm yes I mean I'm pleased t-to erm . to hear you say that/ because certainly it is something that we're . er looking at advertising in our own range/ . our own lines/ er although very often by doing your own lines you get higher volume through-put/	78	BH:	and so we tend to hedge all our bets on this one/ and . in any contract we we will sell f-
58	BH:	because of that/ but er . but you don't . normally attract the same sort of premium prices if you're selling Maggie or some of the other well-known names you can you can get a slightly higher price/			sell the currency forward/ we would prefer to sell to you in US dollars/ .
59	KB:	yah although possibly you don't get the same sort of profit margins . either/ well/ . it's er it (laughs) that that	79	KB:	right/
		(laughs)	80	BH:	but . having said that/ . we're we're . open . to . to sell to you in Singapore dollars/ provi- I'd . guess twelve months would be too long for us/ the banks don't like a twelve months contract/
60	BH:	that depends on how well I'm doing my job doesn't it really/ [erm .	81	KB:	m-hmm/
61	KB:		82	BH:	er six months would be fine/ we can sell . er our currency forward/ we all each of us will understand . the costs er i-involved in doing that/ . and . you'll know the price you're paying/ I'll know how much revenue I'm going to get back/=-
62	BH:		83	KB:	=m-hmm/
63	KB:		84	BH:	and i-it seems to make a lot of sense/ but twelve months I reckon it's perhaps a little too long/
			85	KB:	OK/ but you do you do hedge anyway so that's
			86	BH:	well yes/
			87	KB:	[yes/
			88	BH:	when we] we we've been burnt too often/
			89	KB:	yes/ . erm in terms of erm of credit terms/ erm obviously in the supermarket business

90	BH:	as you know the margins are very fine/ erm , and therefore credit terms become in it a very important part of the of the total	109	KB:	yes/ because erm . er one can either do it . do you have a break bulk warehouse here/ or do you do you [just . ship/
91	KB:	[mm/	110	BH:	no/ . we ship/]
92	BH:	pac[kage/ now what . what credit terms you prepared to offer/	111	KB:	you ship directly from source/
		well/ we both of us know that . credit costs money/ someone has to pay in the end/ and it either comes off yours or mine or both	112	BH:	from . yah/ yah/
93	KB:	[mm/	113	KB:	straight to our warehouse/
94	BH:	of us/] and . OK/ erm . I I accept that if we give you some . we would we would be prepared to give some limited credit/ and certainly er say to take in the shipping time from . from Europe to Singapore we'd be prepared to . to swallow that sort of shipping time/ erm . I I guess we'd be fairly reluctant to give much . more than that er	114	BH:	yes/ . we'll ship by containers . and we'll we'll ship . store to store/ .
		. although . our our normal . practice would be to . not give credit terms but if we're to get established . with you in the market place again . it's going back to this . er	115	KB:	now I'm sure . I don't have t-to er ask I suppose I'm sure you've already done a credit check on us/ . erm=
		advertising bit it's we've got to get you off the ground/ we'd be happy to get you off the ground/ and . some credit terms but . certainly not extensive/ because . er we we again believe that er . if credit has to be paid for . and today's high interest rates it just . doesn't make a lot of sense/ . it'll help your cash flow it'll destroy ours/ (laughs) that's just . and and we again if we we don't like discounting bills and things like that which I think all you're doing is putting money into the banker's pocket anyway/			=I don't think there's any problem
95	KB:	right/ well I think erm . it'd be worth . worth you're knowing that currently our terms we're getting from our existing suppliers is sixty days/	116	BH:	[(laughs)
96	BH:	well that's not unreasonable/	117	KB:	on that/ no you're big enough/]
97	KB:	and the . the rationale behind that is that we only like to keep . er obviously we're looking for a fast turnover of stock obviously in the food business you can't have it on the shelves forever/	118	BH:	so I mean presumably we could enter into er . . an open trading situation/ a-an open account/ form of trading rather an LC couldn't we/
98	BH:	for sure/=	119	KB:	erm .. yah/ I I think that er i-it's always . er . I think we we always like to tread fairly carefully initially anyway/ I think there's a . when you're dealing . within your own market it's one thing/ it's when you're dealing . er at arm's length or several thousand miles away it becomes more difficult/ and er I'm sure my board would like to see er . us keep this er certainly initially anyway at a fairly modest level anyway/
99	KB:	=and . and therefore . the whole funding . of the supermarket business which I don't have to tell you/ . is all based on the fact that you move the product on/ . and sell it to somebody and get cash in before we pay you/ . now what we're saying is effectively that we can complete that . cycle . er in . normally just under sixty days/	120	BH:	()
100	BH:	that's a pretty pretty good turnover actually isn't it/	121	KB:	OK so so we could have it on a open account/ but up to: up to a fixed . amount of of dollars initially/
101	KB:	yah/ . so . so which isn't bad/ but those are those are sort of terms because . otherwise . if we're dealing with er . five thousand three hundred and forty-two different lines/ . and if we've got to start financing all of them and go for expansion/ . in er . in the food business which has got notoriously low . margins in it we just wouldn't expand/	122	BH:	well I think so/ I think that would make sense/=
102	BH:	mm/	123	KB:	=for the first few trial orders/=
103	KB:	future you know . hopefully we we could er .	124	BH:	=yah/ . erm . and perhaps . from from there on as we get to know each other better er we can . we can go from . from there/
104	BH:	[yah I I	125	KB:	open review OK/ but certainly ultimately it would be our our hope to get to an open . an open [account (inaudible)
105	KB:	come to some] arrangement/	126	BH:	I don't see any reason why we shouldn't] do that/
106	BH:	I guess one part of it i-is really the: how . we come to . agree . you will pay for these goods anyway/ for pay for this . material/ . in terms of whether we h-have a letter of credit/ whether we will go for open terms/ . erm . whether we: give some sort of incentive for you to pay	127	KB:	certainly as far as the currency risk to your . supplier and is concerned I don't see that as a major problem because the Singapore dollar of course is strengthening against . . other currencies/
107	KB:	[m-hmm/	128	BH:	[yah/
108	BH:	early/] . and so on/	129	KB:	and] with it's . with it's GNP it looks as if it's going to continue doing that [for a while/ well that's that's true/ . and . do you do you see that developing into a . a larger sales/ do you think people are going to have more . to sell with or will they eat out more and therefore you know/
			130	BH:	well I think er the answer is of course the Singaporean . incessantly eats out all the time anyway/
			131	KB:	[(laughs) . yes/
			132	BH:	in fact I wonder sometimes whether they've got any kitchens at home/
			133	KB:	well [should go (laughs)
			134	BH:	but er (laughs)] but of course er . yes/ . f-for sure we erm . we see it I mean if you look at the per capita income here now it's going it's been going up very substantially/ . we're out of the: er recession period that one was in a couple of years ago/
			135	KB:	yah/ right/
			136	BH:	

137	KB:	and therefore , whilst food is food and everybody needs food all the statistics that we keep actually shows that er , when times are hard people do actually back off things like tomato sauce and and some of these other things which could be regarded as , luxuries in some sense/ , so yes we do see : see it going/ , now , the thing is : we again businesses can either be in a , a growth phase a stagnant phase or in fact an over the hill and going down the other side phase/ and certainly as far as we're concerned we've been erm in the business growing modestly/ over the last few years/ we're certainly now looking , er to go into a further expansion phase/ we would hope , hopefully be , doubling the number of stores within three years/ and , and so we are looking for growth/ we are looking for volume/ , we are interested or would be very interested in erm , in an own brand , er situation/ .. erm , which is certainly a plus as far as you're concerned/ .. erm , you you you'd break , you'd break bulk , yourself , and distribute to your own , s- supermarkets/ the the volume isn't going to be sufficient to , well we do/ , but er , but as you said just now in in terms of credit everything costs money/ , and er yes/ we pull it into a central warehouse at the moment and we : and we split that there/ ()	153	KB:	it is changing to an extent/ but I think er the volumes/ , and after all we are talking volumes here/
			154	BH:	[ye:s/
			155	KB:	the volumes] I think er , er basically tend to be with tea and so we'd be looking , probably to position this one slightly higher/
			156	BH:	mm/
			157	KB:	erm , so that er we could then start attracting some of the , er the expatriate , markæ/ so we don't see this as being a huge volume/ , and therefore we would be looking at quality probably not necessarily own brand/ probably a famous brand/ .
			158	BH:	[are you er
			159	KB:	I mean an international brand/
			160	BH:	yah/ yah/
			161	KB:	so that that would be something which would be internationally recognisable would probably be up i-in the quality/ .
			162	BH:	well [the you know
			163	KB:	or or] middle quality sort of areas/
			164	BH:	yeah that probably re-restricts our ability to , flex the price too much/ , because obviously the there are there are set patterns for pricing , of the national a-and the international , er products/ ..
			165	KB:	yah/ well/ we can we can look at that I mean certainly if from our point of view we would probably be able to er , to secure , slightly better pricing on that than we would be able to do for example with er with tomato sauce/ .
			166	BH:	[yah/ that's
			167	KB:	but , erm]
			168	BH:	yah=
			169	KB:	=but at the same time obviously we'd still be looking to maintain our margins wherever possible/ , but it'd be certainly it'd be the larger granules we'd be looking for/
			170	BH:	OK/ .
			171	KB:	erm .. now we've discussed advertising back up/
			172	BH:	yah/
			173	KB:	since we're talking , an international brand/ do you do any , advertising in the local markæ/ for any particular brand of of coffee/
			174	BH:	we don't at the moment/ but there's no reason why we shouldn't ei-either use the the local press or even , which I understand is probably the most expensive in the world incidentally but
			175	KB:	[mm/
			176	BH:	still] , erm , we'd we'd be prepared to , to look at at that and also a-at television advertising/
			177	KB:	[m-hmm/
			178	BH:	although] , again , you know there is a cost involved and I think we'd probably be/ if if your name is to appear on those adverts then we'd be looking to you for some assistance/ , with that/ but certainly to get this thing off the ground and we're very keen that we should break into this market/ then erm , yes I think advertising is absolutely essential/ yes well at the moment with our existing supplier we have a sort of sixty forty arrangement/ where he pays sixty and we pay forty in terms of an advertising subsidy/ yah/
			179	KB:	
			180	BH:	
138	BH:	you you you'd break , you'd break bulk , yourself , and distribute to your own , s- supermarkets/ the the volume isn't going to be sufficient to , well we do/ , but er , but as you said just now in in terms of credit everything costs money/ , and er yes/ we pull it into a central warehouse at the moment and we : and we split that there/ ()			
139	KB:	erm .. so no that would be er , that would be fine because we do have regular , regular deliveries on a daily basis to all our outlets/ ()			
		before we come come obviously to discussing the er , the price issues could we just run just through quickly through the other products/			
140	BH:	hmm/			
141	KB:	because I think in			
142	BH:	[I			
143	KB:	terms] of quality and brand and colour and , taste and everything else that one , seems fine/ , erm			
144	BH:	OK well I think the : er , I think the instant coffee y-you know splits itself into , to two areas/ you can get the very cheap sort of stuff which , er seems to go in all the , machines that you have/=			
145	KB:	=mm/			
146	BH:	or you you can go for the higher grade granules/ , now we can do either of these/ it's up to you which you want/ whether you have the , the the powder or the granules/ , and I guess that with your split of supermarkets/ , you're going			
147	KB:	[mm			
148	BH:	to] say well OK for s- for our expatriates/ , who've got the , the larger incomes we perhaps want some of that/ and for the er other er area area shops that you have/ you probably want to go for the : for the down market , cheaper , erm powdery granules if you like/ ..			
149	KB:	yes/ I think our feeling on that is that we're not actually looking to have , too many different , lines/ fundamentally the way we've analysed the market is that fundamentally the local market , er which is where we're really targeting most of our business/ tends to be a tea drinking market rather than a			
150	BH:	[ri:ght/			
151	KB:	than a coffee] drinking market/			
152	BH:	although that's changing I believe/			

181	KB:	erm up to a certain value/ . er which helps him and it helps us/	212	BH:	(laughs)
182	BH:	and and again . you're name features q-quite prominently in th[at/	213	KB:	or or lamb sausages they were all lamb/
183	KB:	yes/] . [yes/	214	BH:	(laughs) they were all lamb/
184	BH:	m-hmm/] ..	215	KB:	with an essence of beef or an essence of whatever it is in it/
185	KB:	where our name doesn't feature we don't believe we pay for it/	216	BH:	[yeah/
186	KB:	(laughs) not unreasonable/ well you [know	217	KB:	so] OK so you reckon you can actually tell the tell what your[s is/
187	BH:	I]	218	BH:	I'm sure] with with ours er you can certainly tell the difference/ .
188	BH:	where a where a national brand is concerned then we would be looking to them to . to support us as well/	219	KB:	OK well again I think the positioning of . the positioning of this one is erm .. is fairly important/ I think .
189	KB:	yes/	220	BH:	I think perhaps the the other: spin off as far as our juices are concerned everyone is concerned these days with health conscious and so on . and . certainly we we try to keep our the it's impossible to not to have some . additives/ .
190	BH:	and er .	221	KB:	mm/
191	KB:	[sure/	222	BH:	erm otherwise the stuff just doesn't last at all/ but we keep ours to an absolute . minimum/ .. and and we try and keep colouring away from it as well/ so . from that point of view we we will try and . sell it as a health drink as well as ..
192	BH:	to make] make it easy on everyone/	223	KB:	[ya:h/
193	KB:	sure/ [so you	224	BH:	as well as] just something that . y-you would drink at breakfast time/
194	BH:	(inaudible)]	225	KB:	I think because if you look at the positioning of these three products I think in fact i-if you go back tomato sauce we're basically saying look it's a local market/ . product/ yah/
195	KB:	so see so that's a win-win situation/ (laughs)	226	BH:	not really a-attracting expatriates/ in the in the coffee one we're looking at er . er
196	BH:	(laughs) it's just a matter of how much we have to pay/ yah/	227	KB:	middish incomes but with a spin off up upwards probably into erm . into expatriate . drinking habits/ the juice one I think though becomes er .. one which is which is going to be used by by all sectors of the community so I think I think that this one is a . is a total [er
197	KB:	right/ . OK let's just now have a look at the: erm frozen juice/ .. now I think we've all drunk the stuff which all tastes like apple pulp with which and you can never tell the difference between any of the flavours/ I mean what what . what actually do you sell it's rather important this one/	228	BH:	we get on] on the on the juices we you know er again I think the . presentation is all important and and exactly where you aim . your market at/ whether you aiming a-at children/ . or whether you're aiming a-at the the adult population/ I think packaging then becomes an all important . er effect for . promoting this/
198	BH:	well . our er . er: analysis o-of people's likes and dislikes/ . tends to say that the: the average . guy li- doesn't like a lot of pulp in his food/ in his drinks/ he likes to . to know that he's drinking a fruit/ .	229	KB:	[yeah/ . mm/
199	KB:	[mm	230	BH:	and if you if you wish] to .. really er aim at the . the children who I guess . drink an awful lot of this stuff/ every every school kid h-has . two in their packs to go to school or something like that/
200	BH:	juices/] . but he doesn't really want to he wants to suck it through a straw/ he doesn't want to eat it with a spoon/ .	231	KB:	right/
201	KB:	mm/	232	BH:	and you know we could perhaps . do something along that line/ again . advertising I think probably is all important and probably again television advert[isings/ .
202	BH:	so we we try and balance ours/ . where . the guy the person . drinking . the the juice/ knows that he's drinking a fruit juice/	233	KB:	mm/]
203	KB:	mm/=	234	BH:	for that/
204	BH:	=he but he's hasn't got to get out and get a spoon and and to to prove that point/ .	235	KB:	I think the thing is what we would be looking for if you go to the top end of the juice market/ .. where you're talking basically pure fruit juice/
205	KB:	[yes/	236	BH:	mm/ .
206	BH:	so] we we would we would think that . er our product he'll he'll know what he's drinking/ he'll know he's drinking apple juice/ or he's drinking orange juice/ I guess which is the most popular anyway/ .. and he won't have to think god	237	KB:	it's very nice but it costs a fortune/
207	KB:	[mm	238	BH:	right/
208	BH:	this] is awful this is one of those mixed fruit juices/ . which I find on every supermarket store and I never know	239	KB:	and therefore there're . er mothers aren't going to buy that for their kids/ . equally if you go down to the bottom end of the market/ . it tastes like . rubbish/ . and so I think we'd
209	KB:	(laughs)			
210	BH:	what the hell I'm drinking anyway/ . but it's supposed to be good for me because it's full of vitamins/ they tell me/ but th- ours you'll certainly know . what you're drinking/ [so the- there's no problem			
211	KB:	I I it's important] I just as a digression I can remember the sausage business in er . in er in New Zealand/ . and because it's a sheep . a sheep country or a a lamb or a mutton country/ . didn't matter whether you had beef pork or			

295	KB:	really not something that we'd be interested in in . letting you have I don't think	313	KB:	LC sixty days for the first couple of months trading/
296	BH:	certainly . erm for a six months period/ . and on the sort of volumes that we're talking	314	BH:	m-hmm/
		about/ . and . the the pricing i-in fact i-is quite . er .. is based on on our experience	315	KB:	er and then after that assuming that you're . the the experiences on both sides are OK we
		. er world-wide o-of the . prices that can be obtained from our products which we like			would then want to move to open account/ . because obviously from our point of view
		feel . with sufficient advertising/ . should increase your turn over i-immensely anyway/			it's costs money opening an LC/ . and erm=
		and and hence your profitability/ and . really I think that er . normally we would be	316	BH:	=yup/
		saying to you OK . erm for er this six months period/ where we're both exploring/ . er	317	KB:	and I'm sure you can give you plenty of trade references to show that we're er ..
		let's be sensible and we would we would probably not go for I or H but certainly be			substantial/
		looking for . er G anyway/	318	BH:	oh well it goes without saying you're substantial/ . but . you know e-e-even some of the
297	KB:	[(laughs) . (inaudible)]			biggest companies are are dilatory i-in when it comes to paying out money and . I'm
298	BH:	erm . well you know we] we've er we we don't know each other/ you don't know our			sure you've had that experience as well/ .
		products which we're saying are super anyway/ and . and we've both got to get . er . got	319	KB:	oh yes sure/ . no the erm . the biggest er . the biggest the biggest companies in fact are
		to get to know each other and I think that . there's little doubt that er at . the G level/			normally the worst because of course they have the bureaucracy to go through/ we're
		you'll you'll find that your profitability i-is mo:re . certainly than you're . presently/ i-if			we're still . at a happy stage where we're getting reasonably big but we're also nimble on
		our if our market intelligence is correct/ more than you're enjoying from your current			our feet at the moment/ so we er=
		suppliers anyway/ a-and . er certainly we would be looking for . a er much longer	320	BH:	=you so you can pay up on time/
		contract and much heavier . er involvement er i-in terms of volume . er for before we get	321	KB:	so we can pay on time/ in fact er . you could er you could in fact I'm sure we could give
		anywhere near A and B/			you references from other people who we're dealing with who I'm sure would give you
297	KB:	yah/ I mean I think the answer is it's chicken and egg isn't it/			the same er . same story/
298	BH:	well that's [right/	322	BH:	well you know I I would . I I think you know we're moving along quite nicely but
299	KB:	and]			. the the basic problem is going to be one of price I would guess/
300	BH:	and and business has got to be good for both of us otherwise that we [don't	323	KB:	sure/
301	KB:	of course/]	324	BH:	and . and what what I would suggest we do/ erm . when we're stuck between A and G/
302	BH:	no we don't do it/			erm . on these prices/ what I I'd suggest we do is we . take say thank you for your yearly
303	KB:	of course/ equally . erm if we went in at G we would be very much d- going head on			contract and we'll we'll embody that into a legal framework whereby . we are
		against the Cold Storages of this world/ and erm . [and we			committed to that/ but we'll review our pricing strategy/ er in the light of experience say
304	BH:	how about] the advertising/ it should help/ . tremendously/ .			ev-every three months/ . and therefore we start off . erm . at what we think is a
305	KB:	yes except that you have to remember where we're positioning the whole of the rest of			reasonable level/ and perhaps which you don't think is quite so good/ and let's have a
		our business/ and the rest of our business we're pitching middle of the road rather			look and see what it's like/ . bearing in mind that our er at the er the G price it's certainly
		than . for these plutocrats who end up in . Jelita Cold Storage/ an- and so on/ . I would			. er I would have thought modestly below . what you're already paying anyway/ er we're
		say that to counter this what we would be prepared to offer/ . and I think it's important			prepared to help and get this thing off the ground we are anxious to do the business/ .
		we want to get this business going/ and if we go in at G we may . end up with selling			and ... er
		one bottle of tomato sauce for five hundred pounds/	325	KB:	well/ I mean at G frankly I mean those prices are actually worse/ and I don't want to
306	BH:	(laughs)			contradict your market research and intelligence and things like that/ that that G/ .
307	KB:	er which would be wonderful/ we'd all make a profit but it wouldn't give us the sort of			we're buying better than G already/
		volumes because it's all volume related/ and you know that if we buy more you can give	326	BH:	yah but you got to compare the products as well/ a-and the advertising and all the
		us a better price/ . equally your suppliers at the other end will give you a better price if			package we're talking about/
308	BH:	[oh that's right/ and	327	KB:	sure/ and y-yours is basically in line with the others which is . which is . fine/
309	KB:	you (inaudible)/ so . we would be prepared to move/ . and go on trust . on a twelve	328	BH:	[mm/
		month contract basis/	329	KB:	compared] that's acceptable/ I would . I would like to suggest/ s-since you obviously
310	BH:	m-hmm/			want to relate this to erm .. to erm . to volume/ . that for example on sauce we go for .. a
311	KB:	to start with/ . we would still be looking for the sixty . forty advertising . content/ .. and			C pricing/
		we would certainly be looking for the sixty days . er credit/ .. erm ... and certainly after			()
		say a three month experience we would be looking to go on open account on that basis/			and .. a volume . related incentive/ .. so in fact if we achieve the sort of volumes which .
		we'd be prepared to open an LC for the first er . say for the first couple of months/			you believe we can and we believe that we can achieve/ . er that would in fact improve
312	BH:	LC . for on sixty days/			improve our position/ and if in fact the volume didn't go quite the way we both thought/

330	BH:	at least you're protected by a better price at C than er than B/	338	BH:	I I think that . you'll find that this really is . a winner/ .
331	KB:	m-hmm/ over over what period/	339	KB:	well I I wonder in fact in that case whether in fact we've got the right product from you/ because obviously er . for that market we're not were not in the Rolls Royce market/ . and if your . er product . is basically fixed at the sort of health conscious health food end of the market/ I think we've got a slight problem on that/ . that isn't say that we can't sell it to people/ but it's . but it's got to be the price that our customers/ and . bearing in mind the positioning which I've already explained to you of our stores/ . if we go . if we start talking er . D and E prices we just can't sell it/ .
332	BH:	this could be: er over a twelve month period/			[well
		m-hmm/ . how about er . if we if we move off our our G p-price . on tomato sauces/ and ... supposing we said OK we b- we accept what you say and we're both fumbling in the dark a little bit here/ . and . and we move towards er . an E or a F situation/ .	340	BH:	and] er . it's as simple as that/
		erm . with a rebate . to enable you to er after you've placed the business/ rather than . and we've looked at it/ obviously not not er . er a situation where you say yes yes we're going to buy . x amount . and and we er therefore price it at that rate and we never see . and we never see that sort of volume/ erm not that I think a company of your . standing would er . would be involved in that sort of thing but we have had experiences in other parts of the world where . somebody says here's ten thousand tons and . you end up with er two thousand tons at a ten thousand ton price/ so yah OK er we we what I'd like to suggest is that we . er move to . say a an E price/ er and on tomato sauce/ and . providing you achieve the volume which we're anticipating/ we would discount it/ . er to enable that to become . a D price/ so providing we're priced at E/ and . if you achieve the volume over twelve months/ we will give you a discount which would e- bring you to an equivalent of a D price/ .	341	KB:	well I think I don't know er you know er I I think you'd be surprised actually at the effect of advertising . er and television advertising that you get from that/ a-and the sort of spin off and impulse buying . which comes from good advertising/ . good tele-
		look I think the answer is since we're er . since we're er famous for our . eternal compromise in er . in Britain/	342	BH:	[mm
333	KB:	(laughs)	343	KB:	-vision] advertising/ . and er
334	BH:	I've offered you a C plus an incentive/ you've offered me an E plus an incentive and so I think that naturally leads me to the conclusion that we end up with a D plus an incentive/ on tomato sauce/ but before we finalise on that/ . I can offer because of the positioning . erm . of our product/ I can offer you an E price . er on coffee/ . because we can get a better margin . er on that one/ . but definitely when it comes to juice we'd have to be looking at er at an A because that's the children's market/ . and er . children don't go around with big wadges of plastic money and things in their . [in their wallets/ kids I I . you know in in general terms/ A would absolutely kill us on juice we it would be an impossible situation really/ . erm and we would OK/ erm . D on . tomato sauce E on coffee/ . but erm . you know accepting the . er the level of . product . that we're offering for the juice we're OK I accept what you say about the children but we really are/ we're offering a health product/ a a juice which you can understand to be a juice/ rather than . some coloured water . which may or may not do some good/ and I think that . providing we do the sufficient advertising . and the back-up that you get/ I think the price that you a-and you in turn . er have you have your . your sufficient . er . you you allocate sufficient space/ now space is money in the supermarket I know/ . but . providing you allocate sufficient space I'm sure that the volume that we can achieve/ . will more than compensate for an increase in price/ and er . I'm sure that . OK/ er the j- . we feel that this here i-is really er . an excellent product/ . which . warrants a better price/ . now er I I know it's all profit related and so on/ . and and to get this one off the ground OK/ we'll we'll . obviously come off our G price/ and . but I think we are offering you a quality product where you will . get a better price and where because of the health . incentives we're offering you/ .	344	BH:	go . if we start talking er . D and E prices we just can't sell it/ .
335	KB:	mm	345	KB:	[mm
					()
336	BH:		346	BH:	well/ I think the answer is we're putting together something/ you want to make a relationship . work here in the long term/ we certainly do/ . but at the same time we don't want to end up with a hundred pound er fruit juice/ . erm . we'd be prepared to go to C/ . b-but no but no more than that/
			347	KB:	m-hmm/
			348	BH:	as a total package/ so we'd be prepared to go for D for tomato sauce E for . a Maggie brand if you like/
			349	KB:	yah/
					er coffee/ local brand tomato sauce local juice/ . at C/ . I mean anything worse than that and er . we might as well s- not sell juice at all/
					()
			350	BH:	well I I would have thought that er . certainly to get this . particular agreement off the ground/ . erm . we'd go along with . with what you're suggesting/ it hurts I must say to do it/ but . to get er certainly the initial thing off the ground/ . erm and are we talking of a twelve month
			351	KB:	[yes/
			352	BH:	contract at these prices/
			353	KB:	[yes/
			354	BH:	at] these fixed prices/
			355	KB:	yes/ .
			356	BH:	and in . payment in US dollars/
			357	KB:	yes/ .
			358	BH:	OK/
			359	KB:	OK/ .
			360	BH:	[(inaudible)
			361	KB:	there we are]
			362	BH:	(laughs)
			363	KB:	very nice to do business with you/

1	PS:	so let's get down to business/	30	DL:	. people that you are selling to/ so I could recommend [to you
2	DL:	yah/ RP . 2 ah/ are we supposed to do RP2/ [yáh	31	PS:	fine]
3	PS:	okay/ so I'm supposed to be:: ah . sales representative/ ah representing National Food/	32	DL:	the . best=
4	DL:	ah . I've some products er er to sell to yóu/ [okáy/	33	PS:	=mm
5	PS:	u-huh/]	34	DL:	best products that I can/
6	DL:	and you are the: . you are representing			m-hmm
7	PS:	[I'm the buyer ah/			()
		the (inaudible)] s-supermarket lah/ okáy/ . alright/ so I got three products that I want to	35	PS:	you want to start with the quantity or you want [to start off (inaudible)
		sell to you/	36	DL:	okay [et's start off with the the] the the er the tomato sauce first/
8	DL:	yah/	37	PS:	tomato sauce yáh/
9	PS:	tomato sauce/ coffee/ . instant coffee: and juice/			okay tomato sauce/ now are you aiming at the upper class . market er up-upper income .
10	DL:	m-hmm/			market or the lower income or middle income/ . I have a range of products here/ .
11	PS:	alright/	38	DL:	[(inaudible)
12	DL:	right/	39	PS:	I have] . nine types nine brands ah/ all are different prices/
13	PS:	now firstly/ er/ . I know that you have er . some ... supermarket- supermarket change ah			(small section of negotiation omitted)
		in certain locations/ you got . three medium size stores/ . and eight other convenience			now firstly I would like to establish ah/ ah what is your sales turnover and which sort of
		stores in your locality/			market that you are aiming at/ er is it the upper class . income group or the lower or the
14	DL:	a-ha/	40	DL:	()
15	PS:	Okáy/	41	PS:	do you have . do you have er the different type of er . tomato sauce/
16	DL:	a-ha/	42	DL:	I have nine nine types . nine types nine n[ne offer to you/
17	PS:	now/ . I suppose . er you're doing very well/	43	PS:	there are nine types ah/]
		()			yah/ all of different brands/ and as I've said all these different brands they are . there are
		[right/	44	DL:	slight variations in the taste lah/ . [okáy/
		based] on my [er	45	PS:	I see/]
18	DL:	I suppose you're doing very [well/	46	DL:	and they all depends on er the the consumers/ . well if they are the ang-mos ah then
19	PS:	a-ha/] yah/	47	PS:	[(laughs)
20	DL:	so I'm helping you to er make more money/ okay/	48	DL:	they] might like different taste you see/ [(inaudible) es-
21	PS:	but you also have to help me lah/ háh/	49	PS:	okay/ yah/]
22	DL:	okay/	50	DL:	especially you know . it . different taste/
23	PS:	to] eam a little bit more/	51	PS:	m-hmm
24	DL:	(laughs)	52	DL:	and if the locals want they might prefer other brands/ . [okáy/
25	PS:	okay fine/ er now/ . firstly I would like to know . er . what is your requirement/ .	53	PS:	I see/]
		alright/ now I as I've said I'm promoting these few products/ okay/ selling to you tomato	54	DL:	so now er basi-basically I would like to know/ er what is your sales turnover: r/ er per
		sauce coffee and juice/ so could you tell me roughly what is your . your consumability	55	PS:	month/ and also er . are you aiming at the upper . market income group or the lower
		your . in this locality/	56	DL:	income group/ I mean which one is more saleable/
		you mean er how many cases would I need/ er you	57	PS:	mm:: . you can see that we have a different er . er size of stores yáh/ some is
26	DL:	[ye:s that's right/	58	DL:	[yah
27	PS:	mean . of each of] the: products yáh/	59	PS:	to cater] to middle . to higher income/
28	DL:	yah/ your your sort of er monthly er er sales turnover/ . so that I could er and also the	60	DL:	and] some is to the middle to lower income/ so . I can take in both actually/
29	PS:		61	PS:	can take in both [ah/
					yah/] [which one . would you . like/
					so now . middle to] lower inco.me/

62	DL:	yah/	and er middle to er upper income/ . okáy/ .. upper income/ now , what is the sort of	98	DL:	A to H/=
63	PS:	quantities . or , quantities that you would require , er for the tomato sauce/ for the upper		99	PS:	=m-hmm
		. for the middle upper income/ how much would you require/ what how cases do you .				ah . okáy/
64	DL:	do you need/ before I come , to recommend you , what brand you should go for/		100	DL:	()
65	PS:	okay I'm looking .		101	PS:	now .. E' er , starting from the cheapest is E lah hah/ E is the cheapest/
66	DL:	[okay				mm
67	PS:	in the] region of a thousand cases each ah/ . [each category ah/				okay/ then ah
68	DL:	one thousand cases for each] category/				()
69	PS:	a-hah/ .				then onwards ah will be . A B C D . F G H I I . okáy/ . now if you are . going for the
		I see/				middle to upper income group/ I would . I would recommend the upper . upper range
		()				one lah/ anything above . E lah er anything sorry anything above ah . F/ . F G H I .
		each category . one thousand cases/ .. okay/ for middle to upper one thousand/ and				these three brands/
		middle to lower one thousand/ alright/				this is [for
		()				for] F G H
70	DL:	okay/ . well/ .. what . is your budget/ . for the middle . to upper . er . [income/		102	DL:	for the middle] to upper income group/
71	PS:	budget/] . budget means the the the . [the price/		103	PS:	middle . to upper/
		that you're prepared yah/ that you're prepared that you're prepared to buy . for the		104	DL:	yah/ [F G H I
		[middle to upper/		105	PS:	for F G] H I I
72	DL:	can can .] can you propose/ to me/ the pricing/ . your pricing/		106	DL:	yah/
73	PS:	okay I have er as I've said I have nine brands here/		107	PS:	middle to upper/
74	DL:	yah/		108	DL:	yah F G H I I
75	PS:	of course that if we are aiming for the middle to upper income group then ah . we will		109	PS:	so which one is for lower income/
		have to provide you a better ah . better brand lah/ [hah/		110	DL:	the lower income one I would say that ah it's between . ah E . A B C D/ alright A B C D
76	DL:	right/]		111	PS:	E lah/ [hah/
77	PS:	better well known brand/ premium brand lah so called [okay/		112	DL:	A B] C D E . fo:r middle to . [lower/ hah/
78	DL:	yah/]		113	PS:	lower ah/]
79	PS:	premium brand/		114	DL:	okay/
80	DL:	yah/		115	PS:	()
81	PS:	to suit the your consumers lah/ but you will have to pay slightly ah higher price lah/		116	DL:	[okáy/
82	DL:	u-[huh/		117	PS:	okay/ which one would you recommend/ .
83	PS:	slight]ly lah/		118	DL:	no[:w/ if you
84	DL:	[(inaudible)		119	PS:	that I can take]
85	PS:	compara]tively ah .		120	DL:	are looking for ah/
86	DL:	okay/=		121	PS:	()
87	PS:	=higher/				okay/ if you want , looking for the middle: . to upper income group/ I would suggest
88	DL:	m-hmm/				that . you can try . H/ . okay/
89	PS:	so I would recommend ah/ I would I have here nine types/		122	DL:	u-huh/ ..
90	DL:	m-hmm		123	PS:	or . H/ ... I or H/
91	PS:	er: the cheapest being . er I will I won't tell you the prices I tell you the E' lah/ er I		124	DL:	mm/ give me your proposal/ how many . what is your quantity and . which price/
92	DL:	[okay/		125	PS:	alright now/ .. if you ask fo:r . just one thousand/
93	PS:	mean the] the alphabets [lah/		126	DL:	u-huh/
94	DL:	the] alphabet [yah/		127	PS:	I cannot give you a discount/ .
95	PS:	o[kay/		128	DL:	o[kay/
96	DL:	yah/		129	PS:	o[káy/
97	PS:	I have here A to . A to I lah/ hah/ A to H/ okáy/ . ah there . are there are nine brands here		130	DL:	yah/

131	PS:	if you ask for more/ let's say anything above ah ... okay between one thousand/ to five thousand cases/	172	DL:	[yah/	if we] fix at / ah price [/ lah/
132	DL:	u-huh/	173	PS:	is is] are you is your price negotiable/	
133	PS:	okay/	174	DL:	er if it's one thousand cases one ah it's not negotiable/ I'll give [you at /	
134	DL:	[m-hmm/	175	PS:	so it's only] / and / alone/ [no this thing ah/	
135	PS:	I give you] five percent discount/ .. right/ .. one thousand to five thousand I give you five percent discount/ .. five thousands onwards .	176	DL:	yah/ yah/ that's right/ if you're looking for / I . ah brand lah/ .	
136	DL:	m-hmm/ ..	177	PS:	/ price/ .	
137	PS:	okay five thousand onwards ah/	178	DL:	/ brand at / price/ .	
138	DL:	yah/	179	PS:	oh yah ah/	
139	PS:	I give you about . six and a half percent discount/ .	180	DL:	[okay/	
140	DL:	okay/ anything else/	181	PS:	it's a brand/ is there a [brand/	
141	PS:	mhm ... I think for a start . we concentrate on the middle income group first/ .. so is the price okay/ it actually d-depends on the quantity you order/	182	DL:	yah/ as I've said I've nine nine different [brands ah/ A .	
142	DL:	middle to: middle] to upper or middle [to:	183	PS:	nine different brands/]	
143	PS:	middle] to upper/	184	DL:	A to / you [see/	
144	DL:	middle to upper/	185	PS:	okay okay/	
145	PS:	yah/	186	DL:	okay/ now if I would I would . I would recommend that you order more/ . [okay/	
146	DL:	er .. so which price/ .. are you giving me/ F G H I/ [which one/	187	PS:	m-hmm/	
147	PS:	expatriates all these people right/ so I would lah/ I would propose that you take / lah/ / hah/ how many . do you think/	188	DL:	ah . five . thousands onward/	
148	DL:	ah as I've said/ if you're ordering one thousand/ .. cases/	189	PS:	[m-hmm	
149	PS:	m-hmm	190	DL:	five thousand] cases onward [because you have	
150	DL:	ah/ then ah/ .. sorry one thousand cases one hah/ I can't give you any discount/	191	PS:	I don't need five thousand] you know/	
151	PS:	m-hmm/=	192	DL:	hah/ [you don't need five thousand/	
152	DL:	=from two thousand . if anything above one thousand/	193	PS:	I don't need five thousand/] yah/	
153	PS:	[m-hmm	194	DL:	but your consumabili- okay/ you don't need five thousand/ what's your er your sort of er	
154	DL:	anything gr]eater than one thousand but less than five thousand/ I give you five percent discount/	195	PS:	... monthly turnover/ .. ah sales turnover/ .	
155	PS:	yah/	196	DL:	it's around . thousand over/	
156	DL:	anything . if your order . is more than five/	197	PS:	you have one thousand over/ .	
157	PS:	m-hmm/	198	DL:	yah/ .	
158	DL:	I give you six point five percent discount/	199	PS:	about one [thousand over/	
159	PS:	okay/ . [e:r	200	DL:	so: yah/] so now c-can we look at coffee/ ..	
160	DL:	okay] so how many cases do you ..	201	PS:	okay you want to	
161	PS:	so you propose all . under/ you giving me price /I . for one thousand cases/	202	DL:	[mm	
162	DL:	m-hmm/	203	PS:	look] at coffee [first/	
163	PS:	huh/ that's your proposal yah/ .	204	DL:	yah/]	
164	DL:	yah/ .	205	PS:	I see/	
165	PS:	and if I take one thousand cases you're giving me price /I ..			()	
166	DL:	[mm:	206	DL:	okay	
167	PS:	is that] is that what you're say[ing/	207	PS:	so:]	
168	DL:	yes/] that's right/=	208	DL:	coffee	
169	PS:	=okay/	209	PS:	[m-hmm	
170	DL:	that means I cannot give you any discount lah/ . (laughs)	210	DL:	(sigh)] I have also . nine brands ah/	
171	PS:		211	PS:	nine brands [ah/	
			212	DL:	nine] brands/	
			213	PS:	[u-huh/	
			214	DL:	so you got] nine different prices/ . okay/	
					m-hmm/	

215	PS:	now/ e:r ... okay ... okay I have nine different brands/ okay e:r	257	PS:	now] what are the people you are serving/ are they the ah the the expat the the upper
216	DL:	okay would I . I would also like to know/ er , what is your .	258	DL:	income group or the lower income group/ . because I have to look at the saleability of
217	PS:	it's the same/	259	PS:	the products . so I can recommend to you which one you should go for/
218	DL:	it's the same [thing ah/	260	DL:	n- that that one I'll take care of myself you know the
219	PS:	yah/]	261	PS:	[you can/
220	DL:	also one thousand ah/ (laughs) all one thousand=	262	DL:	saleable] saleability/
221	PS:	=thousand plus my turnover/ I am looking at er . two the two categories whether I	263	PS:	[okay/
222	DL:	should go for , one thousand in the middle to lower or middle to upper/	264	DL:	I'm er] interested here is the pricing/ you give me a:: / price/
223	PS:	okay let me [see ah/	265	DL:	yah/
224	DL:	m-hmm/]	266	PS:	I may not buy anything from you/
225	PS:	middle to lower or middle to upper/ .	267	DL:	I see I see [okay/ m-hmm
226	DL:	so which one [do you	268	PS:	you you you give me] a good price/ er I'll buy from you/ er another person e:r
227	PS:	so you took] one thousand/ . one thousand/	269	DL:	[mm
228	DL:	a-hah	270	DL:	give me] H price/ . I will buy from them/ . it's a matter of pricing here/
229	PS:	okay/ er , alright/ ... I will recommend ah/ [ah	271	PS:	mm/ so okay/ for the coffee.s .
230	DL:	m-hmm] mm/ ...	272	DL:	[mm
231	PS:	I will recommend / ah for the middle upper/ . middle upper/ . okay/ and . H ah for the	273	PS:	er] you actually do not need anything more than one thousand/ .
232	DL:	middle lower/	274	DL:	mm: you can say that/
233	PS:	so how how many e:r/ .. I . for er how many thou- how many thousand cases/	275	PS:	hah/
234	DL:	you're recommending/ for //	276	DL:	()
235	PS:	a-hah/ ..	277	DL:	okay [how about
236	DL:	actually . it all depends you see/ if you are . it depends on your order/	278	DL:	alright/]
237	PS:	a-hah/	279	PS:	your juice/
238	DL:	if your order is more/ than we can talk about it/	280	DL:	okay/ for the juice ah/
239	PS:	the	281	DL:	m-hmm/
240	DL:	[alright/	282	DL:	()
241	PS:	same dis]count lah/	283	DL:	okay/ for the juice/ . what sort of quantity you are . what sort [of ah
242	DL:	er . no/ if you are buying one thousand I'm sorry I cannot give you dis]count/ alright/	284	DL:	s-same/] .
243	PS:	ah/ okay/]	285	DL:	also one thousand/
244	DL:	that is the cheapest price that I can offer you/	286	DL:	[ah/
245	PS:	/ price/ (laughs)	287	DL:	(laughs)] one thousand
246	DL:	yah/	288	DL:	one thousand yah/ ...
247	PS:	okay/ so for . for they a.h middle to lower income . I'm offer you H/ .. H price/	289	DL:	and how much do you need at okay one thousand ah/
248	DL:	yah/	290	DL:	a-hah/
249	PS:	alright/ this is a.h slightly cheaper ah . cheaper than . / brand lah/	291	DL:	so: . you won't ask for . you won't order more/ ..
250	DL:	m-hmm so one thou- [one thousand each ah/	292	DL:	mm:: depends er/
251	PS:	also one thousand each] yah/ [one thousand yah/	293	DL:	ah just so this is [e:r
252	DL:	one thousand each/] . huh ... but I don't need two thousand yah/	294	DL:	on your] price er [yah/
253	PS:	you don't need two thousand/	295	DL:	okay/ now if let's say I give you a very good price/
254	DL:	I don't need/ no/	296	DL:	a-hah/
255	PS:	you don't need two thousand/	297	DL:	er what's your maximum order you can you you you would . you would [e:r
256	DL:	[yah/		DL:	three thousand/]
	PS:	okay/] but then er okay/ then ... so you only need one thousand/ .		DL:	three thousand cases/
	DL:	[(inaudible)		DL:	yah/ ..
				DL:	so one thousand I would say minimum/

298	DL:	[m-hmm	339	PS:	in which res]pect the middle upper or the middle lower/ ..
299	PS:	three thou]sand maximum/	340	DL:	e:r y- , your middle lower y-you you have , you have not proposed to me/ . your middle lower/ ..
300	DL:	yah/ ...			
301	PS:	okay/ .. now if you order .. three thousand . [or above/	341	PS:	middle lower I propose ah . / to you right/ .
302	DL:	m-hmm/] m-hmm/	342	DL:	middle . / is for mid[dle to upper/ .
303	PS:	I for offer you . / price/ if you order only one thousand/	343	PS:	H isn't it/
304	DL:	m-hmm/	344	DL:	you're we're referring we're talking . tomato sauce/
305	PS:	I can only give you G/ . G price/ ..	345	PS:	yah tomato sauce/
306	DL:	each . one thousand/ you give me G/ . [is it/	346	DL:	[okay/
307	PS:	one] thousand I give you G	347	PS:	yah/] tomato sauce/ . okay/
308	DL:	and if it's three thousand/	348	DL:	so your proposal is one thousand case . fo:r . upper to middle . e:r consumers lah/
309	PS:	I give you I/ . a very special rate/ .	349	PS:	yah/
310	DL:	I/	350	DL:	pricing is / er [product is I/
311	PS:	yah/ . okáy/ so if you need only one thousand/ I: can only give you G I cannot go any lower/	351	PS:	yah/ . the] pricing is / lah/ yah/
		()	352	DL:	[then er
		okay/ . you you already , this is your . best price/ [you:r . hmm/	353	PS:	okay/]
312	DL:	yes/ that's the best] price/ .	354	DL:	for middle to lower you you didn't propose anything/
313	PS:	so: .	355	PS:	for middle to lower I didn't propose anything/
314	DL:	then we talk about the payment terms lah/ okáy/	356	DL:	[ah/
315	PS:	mm/	357	PS:	mid[dle to lower/
316	DL:	ah/ then e:r	358	DL:	mm/
317	PS:	[if I'm not , happy with the	359	PS:	now what's the maximum order for tomato sauce/ I try to work out the cheapest price for you/ .
318	DL:	it's: . cash on de]livery/ (laughs) cash on delivery/	360	DL:	thousand each category/=
319	PS:	[so we are	361	PS:	=thousand each ah/
320	DL:	as this is the first time] we do business ah/ it's not that we don't	362	DL:	[yah/
321	PS:	[yah/	363	PS:	you] will not exceed . you will not exceed ah ah one thousand ah/ I mean that
322	DL:	trust] you/	364	DL:	[(inaudible)
323	PS:	[m-hmm/	365	PS:	is your ma]ximum or[der lah/
324	DL:	but you] know . háh	366	DL:	thousand] each is two thousand aw/
325	PS:	but my my other e:r sellers are giving me very good terms on that but their pricing	367	PS:	okay thousand each is two thousand/ that's your maximum order lah/ .
326	DL:	again is better than yours so .	368	DL:	[yah/
327	PS:	is it/ [okay/ let's look at it/	369	PS:	but] you can have combination of both lah I mean you
328	DL:	based on your based on] your . pricing I don't think we can do business in the first place	370	DL:	[ca:n/
		don't talk about credit terms you know/ .	371	PS:	can have] either seven hundred/ or one hundred one thousand three hundred for the other ah/
329	PS:	alright [okay/	372	DL:	mm/
330	DL:	yah/]	373	PS:	maximum lah [okay/
331	PS:	then let's look at the pricing first [alright/ let's go through	374	DL:	yah/]
332	DL:	okay/ . yah/]	375	PS:	maximum/ is two thousand order/
333	PS:	one by one ah/			okay now/ .. I've said that for the middle to upper .
334	DL:	[yah/	376	DL:	[m-hmm
335	PS:	the first] one okay tomato/ . alright you claim that ah . ah my pricing is not very competitive/	377	PS:	I of]fer you I/ .
336	DL:	no/	378	DL:	[m-hmm/
337	PS:	okay/	379	PS:	okay/]
338	DL:	[no you know	380	DL:	m-hmm/

381	PS:	for the middle to lower/ . no for the middle to upper/ if you order ah . one thousand five/ ... I can give you cheaper/ // now if you order/ ah ... now hang on/ let me see ah/ ()	421	PS:	ten thousand cases/ =
382	DL:	I: don't have much time you know/	422	DL:	=you have A B C D [E/
383	PS:	okay/ sorry/ alright for the middle to lower/ . if you order anything ah . less than . one thousand/	423	PS:	o[kay ah/ now for . C D E/ .
384	DL:	a-háh	424	DL:	m-hmm/ .
385	PS:	I will have to ..	425	PS:	your minimum order must be ten thousand/ .. okáy/
386	DL:	[what's your price/	426	DL:	m-hmm/
387	PS:	charge you] H/ . H price/ now for I price ah . ah it must be=	427	PS:	for . for A I'm not sure if you are able to a:h take . because ah/ . we have to order this ah
388	DL:	=the middle to lower your pricing is A B C D/			..A ah . [from .
389	PS:	A B C D E/	428	DL:	m-hmm/
390	DL:	[u-huh/	429	PS:	oversea/
391	PS:	but you] want all the this brand ah/ ..	430	DL:	m-hmm/
392	DL:	depends ér/ which one you which pricing you giving me/	431	PS:	a:h . the supply is not very regular lah/
393	PS:	A B C D E ah/	432	DL:	m-hmm/ =
394	DL:	ah/ ..	433	PS:	=okáy/
395	PS:	okay/ ah actually I have another brand here which I think would be . best suitable for you lah/	434	DL:	yah/
396	DL:	m-hmm=	435	PS:	and presently: . they are on strike/ the workers are on strike/
397	PS:	=because of the quantity that you are ordering ah/	436	DL:	m-hmm/
398	DL:	yah/	437	PS:	so: . if you are prepared . to . ah . buy on a . as and when available basis lah háh/
399	PS:	so that's why I say that ér in lieu of A B C D E I'm proposing you H ah/ .	438	DL:	m-hmm/
400	DL:	A B in lieu of A B C D	439	PS:	then I will . sell you at A price/ for a minimum order of . fifteen thousand cases/ .. okáy/
401	PS:	E=			. but I cannot ah . as I've said . it's a buy as and when delivery basis/ ...
402	DL:	=E you should propose around this . this .	440	DL:	m-hmm/
403	PS:	[yah/ (inaudible)	441	PS:	okáy/ ..
404	DL:	few . brands right/ rather than going . [out of your	442	DL:	what's your maximum/
405	PS:	no I have another brand] H here/	443	PS:	maximum is fifteen/
406	DL:	[H brand/	444	DL:	you say minimum fifteen/
407	PS:	which is] erm . which is more saleable for the middle to lower income group/	445	PS:	oh no no sorry/ the minimum is fifteen the maximum is up to you/
408	DL:	[middle to lower/ . at H brand/	446	DL:	[(inaudible)
409	PS:	H brand/ . yah middle to] lower/ yah that's right/ but you must ah . for the H brand you must order ah . at least ér . háh . one thousand/ . then I offer you H price/	447	PS:	the more I sell the] more I what/
410	DL:	m-hmm			()
411	PS:	if you order less than one thousand then ér I would prefer you take A B C D E/ ..	448	DL:	why why is it as and when delivery/
412	DL:	A B C D E/	449	PS:	as I've said now the thing is on strike/ . I cannot promise you .
413	PS:	[yah/	450	DL:	u-huh
414	DL:	I'm] interested in the A B C D E but you don't . you don't propose anything/	451	PS:	a delivery/ .
415	PS:	but then your . your quantity is not enough unless you buy more you see/	452	DL:	how about the: . B/ =
416	DL:	how how many you want me to buy/	453	PS:	=okay why not this way/ I can . o[kay
417	PS:	okay ah/ now ah . if you are buying A B C D E .. I would say okay now if you/ ... at least ten thousand cases/	454	DL:	B/ C/ D/ what happen to all this/ .
418	DL:	ten thousand case/	455	PS:	B: okay I give you ten thousand/ minimum/ ten thousand/
419	PS:	yah/	456	DL:	B/ ten thousand/
420	DL:	for which/ . brand/	457	PS:	yah/
			458	DL:	er no problem with delivery huh/
			459	PS:	er B C D E I don't think that is any problem/
			460	DL:	B/ C/ D/ E/ . no problem ér/
			461	PS:	yah/
			462	DL:	what is your how much can you . how many cases can you give me/
			463	PS:	minimum ten thousand/

464	DL:	each ah/ ..	502	DL:	mm/
465	PS:	yah/ . minimum ten thousand for . for either one that you are choosing/ .	503	PS:	but that would be er ... better than //
466	DL:	okay it is possible [that		()	
467	PS:	the ma]ximum one/ ah sorry ah/			if B C D E/ . the minimum order is ten thousand/ you can't/ . okáy/ because you only
468	DL:	m-hmm/ ..			need two thousand/ .. okay/ . I tell you what/ . I give you a very competitive one ah/ . H
469	PS:	what is your maximum . requirement/ .. you said your			ah I give you H price/ ... for two thousand H price/ I'm losing money/ . not really lose
470	DL:	[I told you two thousand			lah/ just . a little bit of ah (laughs) . profit er/
471	PS:	maximum is one thousand] two thousand only/=			what happen to G/
472	DL:	=yah/ .	504	DL:	sorry/
473	PS:	your maximum is two thousand/ so that	505	PS:	what happen to G/ .
474	DL:	[yah/	506	DL:	you want G/ you're interested in G/
475	PS:	means] I cannot actually make an order for you A B C D E/ . that one you got only have	507	PS:	u-huh/
		one choice H or // ..	508	DL:	okay/ . for G ah/ . okay I can give it to you/ but . not at two thousand you can't . the
476	DL:	yah so . looks like we can't do business in tomato sauce lah/ ... because I can get a better	509	PS:	order is too small/ .
		price/ for your //			how many [thousand is the minimum/
	()		510	DL:	actually are you prepared] to increase the order/
477	PS:	alright/ if I ah/ one thousand/ . five percent/ okay/ if let's say . er . I take the order for	511	PS:	minimum/ . how many thousand/ [how many thousand/
478	DL:	two thousand/ .	512	DL:	oka-y/] . five thousand cases lah/
479	PS:	ca]ses/ .	513	PS:	five [thousand/
480	DL:	m-hmm/	514	DL:	okay/ . actually a:h/ . we should get for seven thousand but then . okay you're special/ I
481	PS:	what sort of er discount are you . your competitor is giving you/	515	PS:	give you five thousand case lah/ ... but I do not want the: . want you to lose money you
	()				know/ if you if the remaining three thousand you keep in stock/ . and you can't sell/
482	DL:	I'm negotiating with them based on F/ ...	516	DL:	[m-hmm
483	PS:	F price ah/	517	PS:	you're ba]sically tying down your money/ .
484	DL:	m-hmm/	518	DL:	m-hmm/
485	PS:	sure/	519	PS:	okáy/ ..
486	DL:	yah/ ... so yours is // I I I'm not you know . I cannot/	520	DL:	[yah that one is
	()		521	PS:	okay that's] why I was . I'm actually looking at it ah I think that if your . monthly
		can you meet the: . their price not/ .			turnover/ sales turnover is only two thousand or slightly more/ .. I would not
487	PS:	sorry/ . it's below cost/			recommend any other brand other than I ah/ .. okay/
488	DL:	below cost ah/=	522	DL:	no let's [talk about
489	PS:	=yah/ you may get rotten goods for the other one/ (laughs)	523	PS:	but if you] are asking for [anymore
490	DL:	what's your best . what's your best price/	524	DL:	no/ // I we cannot do business/
491	PS:	I'll tell you yet . okay/ for two thousand ah/ . for two thousand a:h a:h two thousand	525	PS:	[mm
		cases lah háh/	526	DL:	let's] talk about H/ .
492	DL:	m-hmm/	527	PS:	H ah/
493	PS:	I give you / lah/ and then for coffee and . and and juice ah/ . [I can do . do the: .	528	DL:	mm/
494	DL:	no wait . I I I can't do for] you/		()	
495	PS:	háh/	529	PS:	okay for H ah/
496	DL:	I can't do for you/ .	530	DL:	[m-hmm/
497	PS:	I cannot either/ I cannot sell it to you/ (laughs) [I'll be losing money/	531	PS:	a:h] ... why not you order another a thousand case/ . for H/ .
498	DL:	is it . do you have bet]ter than // ..	532	DL:	[three thousand/
499	PS:	better than I ah/	533	PS:	three thousand/
500	DL:	[m-hmm/	534	DL:	why why must be three/ I don't need three/ why you want me to buy three/
501	PS:	alter]native ah/	535	PS:	yah you see that H is an imported product/
			536	DL:	[mm

537	PS:	now] if I were just to import áh/ two thousand case in áh/	DL:	578	DL:	what's your minimum order/ ...
538	DL:	m-hmm/	PS:	579	PS:	the minimum offer áh/ [G áh/
539	PS:	I can't rebu- recover the the . the cost/ if you . if you buy more/ . then . you see . I can .	DL:	580	DL:	order/]
540	DL:	give you a more competitive price/	PS:	581	PS:	[er order/
541	PS:	m-hmm/ ... I don't need . I don't need e::r	DL:	582	DL:	y-you have] quantity problem is it/ .
542	DL:	you don't need the extra [one/	PS:	583	PS:	I think . no/ this one te::r . let me see/ G . . okay/ . if you are able to . order ten thousand
		three] three thousand yah				cases/ I can give you G/ . minimum ten thousand/ ..
		()		584	DL:	how about H/
		so anyway the pricing/ . quantity aside/ . H is okay ah/ . for you/				()
543	PS:	no/ the minimum order for H is three thousand I told you/ . [yáh/	PS:	585	PS:	how many what is your minimum order/ ...
544	DL:	we talk] about that later lah/ but .	DL:	586	DL:	for H áh/
545	PS:	[u-huh/	PS:	587	PS:	mm/ ..
546	DL:	the pricing/ . of H is okay/	DL:	588	DL:	okay lah I give you . I tell you what/ G . is ten thousand ér minimum ten thousand/
547	PS:	the pricing of H/ . if it's okay to you yes/ it's okay/	PS:	589	PS:	m-hmm/ . H éi/ .
548	DL:	it's [okay/				H áh minimum . a.h/ ... five thousand lah/ . I give you five thousand/
549	PS:	but] the minimum order must be three thousand/	DL:	590	DL:	()
550	DL:	okay lah/ so we look we are looking at H lah hah/				'kay/ how . tomato juice ér/ ei . the frozen juice ér/ . your minimum order for H is how
551	PS:	[oka:y/	PS:	591	PS:	many thousand/ ..
552	DL:	minimum is] three thousand lah hah/ [I just take a note here áh/	DL:	592	DL:	minimum order for tom- er now er juice áh/
553	PS:	minimum is three thousand/] yah/	PS:	593	PS:	u-huh/
554	DL:	then we talk about it later ér/ . say coffee/ . coffee/ what [is you:r	DL:	594	DL:	juice áh/ ... minimum order for H/ .
555	PS:	you said] you do not need more than one thousand cases áh/	PS:	595	PS:	u-huh ..
556	DL:	yah/				wah I sell you H I lose money man/ (laughs) hang on first/ I got my calculations wrong/
557	PS:	okay/	DL:	596	DL:	hang on/ H hah/
558	DL:	what's your best price/ ..	PS:	597	PS:	m-hmm
559	PS:	I told you that for the middle a.h to upper income group if you have ah . if you have a	DL:	598	DL:	o/kay/ let me see/ H/ .
		lot of expatriates there	PS:	599	PS:	you are look . you told
560	DL:	[m-hmm	DL:	600	DL:	[e::r
561	PS:	I think] our brand will be more suitable/	PS:	601	PS:	me G] you know/ .
562	DL:	m-hmm	DL:	602	DL:	no/ now you want you ask for juice H right/ .
563	PS:	I brand will be more suitable/ but it's slightly more expensive lah/ [háh/ than H lah/	PS:	603	PS:	actually I [ask you
564	DL:	mm I I don't want] / brand/	DL:	604	DL:	I offer you] G and H/ .
565	PS:	you don't want / [brand áh/	PS:	605	PS:	you are offer me . G/ . [one thousand . cases áh/
566	DL:	I don't want] / brand [yah/	DL:	606	DL:	and H/ . mini]num is . minimum is one thousand/
567	PS:	so you] want the H lah/ . is it okay/ the middle lower income group/ . alright/	PS:	607	PS:	one
568	DL:	I'm looking at G ér/ .	DL:	608	DL:	[alright/ .
569	PS:	looking at G hah/	PS:	609	PS:	thousand] hah/
570	DL:	mm/	DL:	610	DL:	I . (coughs) I is three thousand/ . [okay/
571	PS:	I see/	PS:	611	PS:	minimum áh/]
572	DL:	what is your minimum order [for G/	DL:	612	DL:	minimum three thousand/
573	PS:	did I offer you G ér/ [(laughs)	PS:	613	PS:	[u-huh
574	DL:	háh/]	DL:	614	DL:	I is mi]num three thousand/ .
575	PS:	how come you asking for G/	PS:		PS:	yah
576	DL:	you didn't offer me G huh/	DL:		DL:	()
577	PS:	okay alright/ . [so you want G huh/	PS:	615	PS:	for H áh/
			DL:	616	DL:	[m-hmm

617	PS:	a:h]	DL:	654	DL:	[(inaudible)
		()	PS:	655	PS:	well/] if you if you okay/ fine/ insurance is fine/ now if the if the prop- if the
		to offer me to offer you H áh/				remaining two thousand áh has not pass on to you/ fine/
618	DL:	m-hmm/	DL:	656	DL:	[m-hmm
619	PS:	I think in order to break even for me áh/	PS:	657	PS:	I'll] bear the insurance charges/ . okay/
620	DL:	m-hmm/	DL:	658	DL:	[mm/
621	PS:	you need to order a minimum of ten thousand/	PS:	659	PS:	but] If áh/ you want that thing áh/
622	DL:	ten thousand hah/	DL:	660	DL:	[m-hmm
623	PS:	yah/	PS:	661	PS:	alright/].
		()	DL:	662	DL:	[I tell you what
624	DL:	(sigh) so you're happy with e:r G lah/ .	PS:	663	PS:	under your name/]
625	PS:	well/ if I can sell you more/ . it'll be better lah/ . I would say/	DL:	664	DL:	[m-hmm
626	DL:	mm/	PS:	665	PS:	then] e:r you you pay for it lah/ ..
627	PS:	okay/ so you need only one thousand/ ..	DL:	666	DL:	e:]r give you a guarantee one
628	DL:	mm/ yah/	PS:	667	PS:	o]káy/ now . title of goods
		()	DL:	668	DL:	[e:r/ that one no problem e:r/
629	PS:	(sigh)	PS:	669	PS:	will only pass when payment is] received lah/ [háh/
630	DL:	okay/ . can I ask you tomato sauce/ can you order/ . can I order one thousand now/ .	DL:	670	DL:	that] one is no problem áh/
		when I finish/ then you bring the other two thousand/ . as and wh- you know/ as and	PS:	671	PS:	no problem áh/
		when I finish the thousand/ . you know/ .. you know what I mean e:r/	DL:	672	DL:	get a get . give you a guarantee of something lah/ . [háh/
631	PS:	[okay you're looking .	PS:	673	PS:	a gua]antee of three thousand/ .
632	DL:	you order three thousa:]nd because	DL:	674	DL:	two thousand la:h/ one thousand I will pay/ . you know/ I will pay when I get it lah/ the
633	PS:	[mm				other two thousand/ . you cover the warehouse costs right/ . and then e:r . give you a
634	DL:	your] minimum . order quantity is . three thousand right/	PS:	675	PS:	guarantee of something lah/ you know that one no problem lah that one/ . húh/
635	PS:	a:h you're looking for H háh/ . right/	DL:	676	DL:	[no problem/ so you give me a : .
636	DL:	H áh/=	PS:	677	PS:	that's no problem yah/ all I need is the one thousand]
637	PS:	=when you talk about tomato juice áh/ three [thousand/	DL:	678	DL:	a guarantee/ a guarantee . for for . three thousand lah/ .
638	DL:	u-huh/] u-huh/	DL:	679	DL:	[two thousand/ I'll pay one thousand lah/
639	PS:	okay/ for . H háh/=	PS:		PS:	no you pay one thousand/ now/ then] the guarantee for two thousand lah/
640	DL:	=you order your three thousand/ . keep it in your store/ . when I finish my one thousand	DL:	680	DL:	m-hmm/ ..
		you bring the other one lah/	PS:	681	PS:	okay fine/ the deal is [off/
641	PS:	okay lah/ but you must pa:y cash on delivery lah/ .	DL:	682	DL:	u-huh/]
642	DL:	cash on delivery áh/	PS:	683	PS:	okáy/
643	PS:	is it alright/ .. what happen if e:r at the end the day you pay one thousand and the other	DL:	684	DL:	m-hmm/
		two thousand you say I don't need it then e:r I will be in trouble I have to hold two	PS:	685	PS:	húh/] . so hang on áh/ . I put down your order/
		thousand in my stock yard/	DL:	686	DL:	m-hmm/
		cash on delivery/ [don't you	PS:	687	PS:	order for H háh/ one thousand case/ . [right/
		I'm] paying for the: the the	DL:	688	DL:	m-hmm/]
		[give me storage one áh/	PS:	689	PS:	cash on delivery/ the remaining two thousand/ you will give me: a . a bank guarantee to
644	DL:	the storage/ I give you] free of charge storage/ I'll keep the two thousand in my store/				cover the amount lah/ [háh/
645	PS:	[free storage/	DL:	690	DL:	yah/]
646	DL:	but you pay for] three thousand/	PS:	691	PS:	okay/ now e:r .. there must be a period áh/ hang on first/ now long are you going to store
647	PS:	pay for three thousand/ .				it/ áh so I give you one month/ . [one month you must take delivery/
648	DL:	yah/ . I think it's a fair deal áh/ . [háh/	DL:	692	DL:	no:/ . depends] on my . e:r/ depends on my business turnover lah/ that one how to tell
649	PS:	got] . got to buy insurance in case the: . [(inaudible)				you/ you know/ .
650	DL:	oh that one will be yours] you see/ .	PS:	693	PS:	okay [fine/

694	DL:	m-hmm/	728	DL:	[m-hmm
695	PS:	I appreciate that/ but ah I cannot keep indefinitely two thousand in my warehouse you see/ [(laughs)	729	PS:	you] are an expert ah/ in selling so you will know how long you can keep you stock right/ . so there must be a minimum period for me I hope you understand/ so let's say I give you another one more month/ two months/ two months you must take delivery/ if you don't take delivery then I . I I cash your bank guarantee and I sell it to someone else/
696	DL:				()
697	PS:	I hope you understand also/ [so why not I give you a a period/			you see er/ the point is this ah/
698	DL:	mm/ . but is that important/] whether you know the terms . you know/ .			()
699	PS:	is is fine okay/ we agree on a er on a H price/			now .. if you . take two thousand . cases of // .. alright/ .. if you take two thousand cases of // . I'm prepared to allow you ah to er .. keep in the warehouse . for another .
700	DL:	[m-hmm/			two more months/ that means I give you
701	PS:	I sell you] one thousand case fo:r=			[no no/ the the two thousand . mm/
702	DL:	=yah/			three months/ I think by then . by] then you should have er sold all/ . I'm very certain by
703	PS:	cash on delivery/			then you should have sold all/
704	DL:	[m-hmm/			yah that=
705	PS:	and then the] remaining two thousand keep inside my stock stock yard/	730	DL:	
706	DL:	yah/	731	PS:	
707	PS:	and e:r . for these two thousand/ .			DL:
708	DL:	m-hmm	732	PS:	
709	PS:	er you give me a bank guarantee/	733	DL:	
710	DL:	[m-hmm/	734	PS:	
711	PS:	and I'm] prepared to pay for the: e:r warehouse charges/ but of course we are going to talk about the minimum period you see/	735	DL:	
712	DL:	[m-hmm/	736	PS:	
713	PS:	we cannot] have er . we cannot . we cannot put the the the thing there indefinitely you see/ because I need . I have other . business so	737	DL:	
714	DL:	[m-hmm/	738	PS:	
715	PS:	I might] need space you [see/			DL:
716	DL:	then if I ask (inaudible)	739	PS:	
717	PS:	so I tell you what/ I give] you a very . okay I give you a period ah/ er . if let's say if you don't . collect this thing lah hah by a certain period/ sa:y	740	DL:	
718	DL:	[m-hmm	741	PS:	
719	PS:	in] . in a month's time/ .	742	DL:	
720	DL:	then we can sell to other people what/ you know/ .	743	PS:	
721	PS:	ah that means my order is not fixed/ . you said you give me a bank guarantee/	744	DL:	
722	DL:	yah/ [bank guarantee	745	PS:	
723	PS:	so if the bank] guarantee that means by then you must take the delivery otherwise I will call your . [call your bank guarantee/	746	DL:	
724	DL:	I'm trying to help you] with your problem yah/ because you . need a minimum . quantity of three thousand/ actually I need only one thousand/ actually you should . go and find another buyers yah/ ..	747	PS:	
725	PS:	so you're saying that e:r . for the remaining . two thousand/ . I must keep it in my stockyard/ indefinitely/ . okáy/ .. if y- if I y- cannot lah/ there must be a fixed period/ if you don't take delivery lah hah/	748	DL:	
726	DL:	[mm			PS:
727	PS:	then] I presume that I'm going to . cash the bank guarantee and then I sell it off to someone else you see/ . otherwise the thing you see we are talking about tomato sauce you know/ things are not er cannot last indefinitely/ i-it will . i-it will it will turn bad you see/	749		
			750	DL:	
			751	PS:	

752	DL:	later you come back and collect it will be	793	PS:	it's ve ry high/ so e:r . if you order more/ coffee is quite . it's durable/ you can keep it anyway/
753	PS:	no are these terms and conditions very	794	DL:	[m-hmm
754	DL:	rotten/	795	PS:	alright] . so if . if there's a minimum of five thousand/ because . if I were to ship coffee
755	PS:	u-huh/			one thousand [cases/
756	DL:	right/	796	DL:	m-hmm/
757	PS:	yah/	797	PS:	and I got to ship five thousand/ . okay/ I still have to pay the same charges/ to the to the
758	DL:	ah/			to the freight forwarder and the . and the [shipper/
759	PS:	but these terms and con- condition very important . to you/ .	798	DL:	y-y- you want more commis on/ so would you/ (laughing)
760	DL:	a:h . sorry what you mean by what terms and conditions/	799	PS:	of course I want more commis on/
761	PS:	I thought [he:	800	DL:	then I I I would take e:r one thousand/ coffee/ . from you at / lah/ .
762	DL:	as far as I'm concerned [I	801	PS:	one thousand coffee of / ah/
763	PS:	m-hmm]	802	DL:	u-huh/
764	DL:	I only interested in selling you and then I just get my commission from my principal/ .	803	PS:	ye:s okay/
765	PS:	[mm/	804	DL:	do you want it/
766	DL:	if the more I sell to you/ .			()
767	PS:	m-hmm/	805	PS:	okay/ / ah/ alright I'll take / for one thousand lah/ as [I've said that's my
768	DL:	the more I make lah/ more commission I make lah/	806	DL:	yah but I I] don't want I don't want the . the other two thousand for the . tomato sauce
769	PS:	I see/			lah/ .
770	DL:	okáy/	807	PS:	you do not want the other two thousand
771	PS:	mm/	808	DL:	[a-hah
		so I hope you can buy more/ if you can buy more I can give you a more . a definite . .	809	PS:	for the tomato sauce/
		sort of a period you see/	810	DL:	yah/
772	DL:	[m-hmm	811	PS:	wah/ you are a . quite a ah .. hah [(laughing) good negotiator ah/
773	PS:	if I th nk I can . I can . put in the warehouse longer/ because I got other suppliers	812	DL:	trying to let you earn commission/]
774	DL:	[m-hmm	813	PS:	[(laughs)
775	PS:	if you don't take er delivery in two months time	814	DL:	okay/ . want to earn commission/ . I'm trying to help [you (inaudible)
776	DL:	[m-hmm	815	PS:	yah but then you're reducing the number you see/ . so coffee ah/ at / for one thousand
777	PS:	I can s ell it to another person I can still replenish it/			ah/ .
778	DL:	[m-hmm/	816	DL:	yah/
779	PS:	that's provided that you buy more you see/	817	PS:	/ for one thousand/ and e:r . you're saying that .. okay ah/ hang on ah/ . let me see/
780	DL:	[m-hmm			()
781	PS:	if you don't buy more/ then I I can't you see/ I mean i-it's quite dif- difficult for me to	818	DL:	actually we don't make much you know/ / one thousand/ because that's the minimum
		guarantee for that small amount/	819	PS:	order that [you're asking from me/
		yah okay/ the other thing is coffee:/ . are you . tor- willing to: give me one thousand for			make a bit now ah/ later on we can . you can make more what you know/
782	DL:	price H/ ..			okay so you're saying that okay you confirm your order for tomato:/ . H at one
783	PS:	coffee ah/			thousand/ cash on delivery/
784	DL:	[m-hmm/	820	DL:	[u-huh/
785	PS:	price H/	821	PS:	/] two thousand/ bankers guarantee/ ..
786	DL:	m-hmm/	822	DL:	forget about all that lah/ I I order a thousand . of your coffee ah/ at / ah/ .
787	PS:	sorry/ the minimum order is er . price H is five thousand/ .	823	PS:	only coffee/ .
788	DL:	[mm	824	DL:	coffee one thousand/
789	PS:	cof fee I have to import from Brazil/ .	825	PS:	[yah/
790	DL:	m-hmm/	826	DL:	toma to sauce one thousand lah/
791	PS:	okay/ if I were to buy one thousand/ it's going to cost you very high/ . I mean I the	827	PS:	at what price/ [//
		freight charges things like that I'm sorry it's .	828	DL:	H/]
792	DL:	[m-hmm			

- 1 BH: and whilst we would want to break in here/ erm it er obviously need to be at the right
price and so on/
right/
- 2 DL: because otherwise there's no point us selling here into Singapore/ when we can sell into
3 BH: Malaysia and Hong Kong at a better price/
4 DL: right yah/
5 BH: so er . yah/ take your point/we we may indeed not come to an agreement on
6 DL: [yah er
7 BH: (inaudible)]
8 DL: that is something I would . er try to avoid ah/ . I always like to develop a business
relationship er/
9 BH: absolutely/ . and . and we would look to Singapore to . erm to develop our er .
10 DL: market er/
11 BH: our market/ and and er to play to whole you know to to make the whole of the area .
12 DL: [worthwhile/
m-hmm/]
()
I think it's customary that er before we start any business negotiation we should
13 BH: exchange cards ah/ .
I was forgetting/ I was in the Far East yes/
14 DL: ()
thanks/
()
15 BH: anyway David you're in the market for . these . three products we're selling are we are
you/
16 DL: e:r yes we are looking/ .. for the best er price . in in the market/ since er first time we
are meeting you know to discuss this er . possible business relationship you know I
hope you can give us the best price possible/ . so that you know later on may be you can
er increase you:r margin if er you do not . feel you know/ . you're making much er
this time round/ .
17 BH: [well/
18 DL: would] that be . your your philosophy of er doing business/ . too/ to develop a business
relationship first/ and then er talk about [e:r
well/]
19 BH: better margins as as time goes on/
20 DL: whilst it would possibly be my . philosophy/ it's not my boards who would insist on .
21 BH: maximising profit at all times/
mm/
22 DL: [and
23 BH: immediate/ or . in the long run/
24 DL: well/ we would] . we would aim to try and do a package deal with you/ .
- 25 BH: no no they erm . I'm afraid they they feel that they're: er answering to: share holders
who want to see . er a continual growth i-in profits/
m-hmm/
- 26 DL: and er . this is always difficult/ . to er . to . to plan i-in a long term way/
27 BH: [m-hmm/
28 DL: i-it's] very necessary/ .
29 BH: m-hmm/
30 DL: er for us to . er . to produce produce immediate results/ . and you know we're .
31 BH: constantly . er we're in a highly competitive situation/ and it makes life very very
difficult/
yes/ that's why we're looking for new er suppliers you know/ who . which er . will
32 DL: increase our competitiveness/ i-in our . in our market too/ therefore pricing is almost er .
the main criteria you know/ . [e:r
it allways is/ but surely i-it's quality of .
33 BH: [oh dear/
34 DL: I'm spilling it again/ . erm . it's quality we're talking about as well/ . and er . certainly
35 BH: where you have er . . a number of expatriates and I believe you have . you know sort of
er . you have some stores/ . which are catering to your expats/ . community here/ where
er . price perhaps becomes secondary . to quality/ . do you think would you agree with
that/ ..
36 DL: mm: . I think later on we: would be able to tell regarding the quality/ as . as far as er .
you provide good quality/ . there must be consumers and people who . want to buy
your . products that you supply to us you know/ hopefully . they would be able to . be
er . there'll be repeat . customers yah/ and they will look for your product again and
again/ . therefore . pricing may be er . you know of primary consideration now and later
on . then quality/ and we can negotiate again on the price as times goes on/ in a Chinese
business . context we: . definitely would like to: . er you know work together in the
long run/
- 37 BH: m-hmm/=
- 38 DL: =and not er . make a quick profit whether on your end or on . on our end you know/
therefore you know/
39 BH: I don't think we're talking of a quick profit/ we're really talking of long term
relationship/
mm/
- 40 DL: and . but I I guess business has to be good for both of [us you know/ I mean
41 BH: yes: yes/]
42 DL: it's pointless you
43 BH: yah/
44 DL: not making money out of our product and it certainly . er a one way street for us to .
45 BH: not to er . make a profit/ [(inaudible)]
that I agree/ looks that we may be able to: . do business after all ah/
46 DL: well/ could be/ erm .
47 BH: so . er would you be introducing to me er the chilli sauce . or . tea bags . or . sardines/
48 DL: [yes/ . in in er
49 BH: mm which is your main] er . er . product that you would like to er . [sell to me/
50 DL: well/ we would] . we would aim to try and do a package deal with you/ .
51 BH:

103	BH:	no no no/ goodness me that that'd be impossible/ they'd sack me for that/ (laughs)	131	BH:	are we/ yah well I I'd hoped we'd moved away from we've moved off our
104	DL:	(laughs)]	132	DL:	yah but I don't want you to lose your job that's why I I'm thinking very hard how I can
105	BH:	erm .. we we can I I we can move certainly er we can juggle around with these things/	133	BH:	you know/ . [keep your job/ (laughs)
106	DL:	[e:r	134	DL:	well you could you could] you could keep my job by giving me price F' and . (laughs)
107	BH:	er OK/]	135	BH:	so credit terms you know/ . actually e:r about three: . three months er huh/ should be
		erm we we could move to . on chilli sauce which . erm I would guess probably gives	136	DL:	OK lah huh/
		you the greatest profit anyway/ erm .. and e:r . we could we could move . downwards on	137	BH:	ninety days/
		that e:r/ we could move to price F' . erm . on that/ and er .. move er . to price E I think		DL:	huh/ .
		probably on tea/ . although I'd want to maintain F on er .. o-on the sardines/ . sardines're		BH:	well you know/ . credit in the U er interest rates in the UK are . running . on interbank
		getting very difficult to come by they/ . really are/ a-and the price of olive oil i-is		DL:	rate at about twelve . twelve er twelve percent/ erm . and e:r although we're an excellent
		absolutely dreadful/ . and er you know the the amount of profit we make o-on sardines		BH:	company in good credit ratings/ . er we're paying about fifteen percent/ . so that's over
		is minimal/ . you find these . all good selling . lines though do you/ i-in your particular			one percent per month so you're talking of a reduction of three percent in the price that
		supermarkets/ ..			we . e:r give you/ and if we do that on price B for instance which we're still on/ that
108	DL:	well they're all very fast moving products in our supermarket/ . that's why we're looking	138	DL:	would mean that we're into a loss situation/ .
		for a . better supplier than the . one we have now/	139	BH:	[mm/
109	BH:	well you know I just like to . emphasize the . quality aspect of what we're doing here/ .	140	DL:	and er] .
		and . really are we talking o-of just a you're you're still going for your spot purchasing	141	BH:	board or no board that's impossible/ (laughs)
110	DL:	are you/ just a one off situation/	142	DL:	(laughs)]
		mm we can work out the the terms in . for the long run if you:r . if your products are	143	BH:	so I really must ask you to consider er . moving your price upwards/ .. erm you know
111	BH:	able to sell . i-in our supermarkets of course			we've moved our own down/ we're talking of ninety days credit/ . erm . which as I
112	DL:	[well now			say i-is probably something of the order of er . four percent/ . three to four percent
113	BH:	we .] we will be looking at er repeat orders/ you know/ .			reduction in price because er . money is not cheap/ and er . somebody has to pay/ we're
		well you know I it would interest me much more to e:r . to talk of a . a three or			both business people/ we know some one has to pay for money/ . erm . and er we
114	DL:	preferably a six months er .. contract/ .			certainly just don't want the banks to . make all the . all the stuff we've all the money
115	BH:	six months contract uh/ .			we've got to . but ninety days we could probably manage but it does mean a reduction i-
		mm/ you know er at the moment how how you buying . on on credit/ or do you pay . up	144	DL:	i-in our return/
		front/ o:r . against letter of credit or . how do you .	145	BH:	m-hmm/
116	DL:	how do you purchase/ ..	146	DL:	erm of of something in the order of four percent I would have thought/ .
117	BH:	normally e:r . it would take about . e:r three months . for us to . to e:r . sell off all the	147	BH:	would e:r chilli sauce under price C' . be OK with you/ ..
118	DL:	one thousand cases for each product/ . so .			well it's moving in the right direction I'd say that/ but it's still a long way from F' erm ...
119	BH:	so with a shipping time of six weeks/ . that rather fits in nicely that you'd have to order ..			I suppose in extremis I could come down to price E/ erm ... but my goodness we'll we'll
120	DL:	after six weeks doesn't it/ . that's a six week cycle of er . purchasing/ .			really be er . we'll really be suffering at that that price/ and really I I you know I
121	BH:	six weeks e:r/ for you to: get the . [stock right/			wouldn't want to . do any sort of long term contract on price E/ er erm it'd er . we we'd
122	DL:	it would . it] would . it would . shipping time			have to I think look do it probably for six months/ I wouldn't do be prepared to do it for
123	BH:	[mm/			twelve months/
124	DL:	from] the UK/	148	DL:	Mr Hockey can you make a profit from price D/ ..
125	BH:	is er] by week ship by container . and er . shipping time is . three weeks/ .	149	BH:	D/
126	DL:	m-hmm/ .	150	DL:	mm/ . chilli sauce/
127	BH:	and really to manufacture and ship in that time/ and to prepare for shipment and s-	151	BH:	well if you go to D/ . and what would you propose for tea and sardines/ ... straight Ds/
		stuffing the containers and so on would take that amount of time/ .	152	DL:	I can move only in the tea bags to price er .. C' is C
128	DL:	mm/	153	BH:	[mm
129	BH:	erm . but er . you know do you do you normally pay up front/ or do you normally pay	154	DL:	OK] for you/ .
		on credit terms [or	155	BH:	I don't know/ it depends what you tell me you're going to do on sardines/ if you're going
130	DL:	I can] consider paying up front if we're talking about price B you see/	156	DL:	to price I for sardines that would be ideal/ ..
					price I ah/ ..

157	BH:	you know we're trying to put together a sensible package/	192	DL:	my chilli sauce also . has moved to C price right/ .. if I should move my . sardine price
158	DL:	m-hmm/			to C/ I may not be able to move . my prices any more/ for . my chilli sauce and tea bags/
159	BH:	and . and i-if we're saying . D for chilli sauce/ . and=	193	BH:	is that OK/ with you/
160	DL:	=can we leave sardines alone/ and talk about . chilli sauce and tea bags/			so you're saying if you keep your . price of sardines at B/ you may be able to move your
161	BH:	well . I you know I'd like to see all . I I don't want to er . I think we should try and put it	194	DL:	chilli sauce/ ..
		all together rather than just try to	195	DL:	mm . to D/
162	DL:	m-hmm/	196	BH:	yes/ .. to D/
163	BH:	do it individually/ I think that er . for each of us if er . e:r shipment becomes easier if	197	DL:	u-huh/ ..
164	DL:	we have three thousand .	198	BH:	so therefore you're saying . chilli sauce at . D/ .. e:rm . tea at C/ . and . sardines at B/
165	BH:	mm/			mm yes/ .. is that a package . that we can . have a business deal in/
166	DL:	e:r . rather than two thousand/ our shipping costs are . (inaudible) become that much	199	BH:	()
		cheaper/ . therefore if we can talk of the whole lot of e:r . the three products/ . rather	200	DL:	we wouldn't be terribly happy at those prices I must say/
		than doing two and leaving one and then perhaps not agreeing on the third one/ .	201	DL:	m-hmm/ so you prefer er straight C's uh/ ..
167	BH:	well if I move in if I move my sardine prices I . don't think I can move any . where else			mm
168	DL:	for my chilli sauce and tea bags you know/	202	DL:	()
169	BH:	well you're you're on your chilli sauce you're at D/ is that correct/			no/
170	DL:	e:r .. I was talking D as by itself but you were relating it to the tea bags and sardines/			so what is your alternative/ . Mr Hockey/
171	BH:	well [I:	203	BH:	()
		so actually I'm still at C/ for chilli sauce/ . but now we are at . s-sardines or do we want			or do I have to: . go back to my . old suppliers which I'm most unhappy with them/ .
172	DL:	to . talk about s- chilli sauce/			(laughs) no I wouldn't want you to do that for a minute/ erm
173	BH:	no I think I'd like to . we'll we'll do . I'd like to know what your price would . you'd be	204	DL:	()
174	DL:	prepared to pay . on ninety days terms for a six months contract/ .			I think if you move . if you move your tea . to . D/ and your . chilli sauce to D/ then we
175	BH:	m-hmm/	205	BH:	can live with your sardines at B/ . now that's that must be . a far better deal than you're
176	DL:	for sardines/ ..	206	DL:	getting from your present suppliers/ . and er . should also ..
177	BH:	sardines alone/			I have er better credit terms from them/ ...
		mm/ ..	207	BH:	so what credit terms are you talking about now/
		er er price B loh/			er hundred and twenty days/ . on their side/
		no:/ with within the package that we're talking about of a thousand cases of . chilli			mm/
		sauce tea and sardines/			()
178	DL:	m-hmm			well you're you're heading up towards . five five plus percent/ .. of a reduction in
179	BH:	e:r=	208	DL:	price/ . would you be prepared to do that than . looking a-at . D D B/
180	DL:	=tea and . the . chilli sauce and . tea bags they are at price C right/	209	BH:	()
		()			at a hundred and twenty days/ .
181	BH:	m-hmm/ .. at the moment that's what you're . bidding me [yes/			is that your final offer/
182	DL:	yah/]			I reckon that's as far as we can go/ bearing in mind I say the price of money is
183	BH:	I haven't said that we can possibly accept at that . that low a level/ .	210	DL:	exceedingly high/ .
184	DL:	mm/	211	BH:	D D B/ .
185	BH:	erm . so if you are at . e:r . C/ . for . tea and . chilli sauce/ what price . are you prepared	212	DL:	mm/
		to pay for . e:r sardines/ .	213	BH:	as in chilli sauce tea bags and sardines/
186	DL:	if . as I've said if I move my sardines down/ . my pricing down/ . I I will not be able to	214	DL:	mm/ ..
		move any more for my chilli sauce and tea bags/ is that er acceptable for you/ ..	215	BH:	can I get back to you on this/
187	BH:	sorry I'm I'm not er I don't think I understand what you're saying/	216	DL:	sure/ ... but we can only allow that price for twenty-four hours/ (laughs)
188	DL:	my sardine price is at B right/ ..			(laughs)
189	BH:	yes/			()
190	DL:	my tea bags is priced at C/ after having moved from B/ .	217	BH:	so it's er ninety days uh/ you can't give me a hundred and twenty can you/
191	BH:	yah/ .			I'll give you a hundred and twenty days on price D D B/ .

218 DL: D D B/=

219 BH: =but I will not move beyond that/, that's i- that's the bottom line/

220 DL: that's provided your products can actually sell/ because the market actually have not er .

221 BH: Singapore market at least have not seen your . products here/

222 DL: ah well . we: . we're prepared to do some advertising with you/ . erm .. we feel it's

223 BH: essential to do the advertising/ we're prepared to . to do that on a . on a fifty fifty

224 DL: basis linking in . your supermarket chain with our products/ . erm . say ei- ei- on again

225 BH: on a six months/ . or an initial three months probably/ e:rm television/ promotion/ .

226 DL: three months ah/ .

227 BH: well/ . three months in in the initial stages/ we're talking about we're talking here of a

228 DL: six months contract/ erm . if all goes well we're prepared we'd be prepared to look at the

229 BH: advertising again/ . e:rm . but er . certainly initially for three months we're . we'll do a

230 DL: fifty fifty . split on er . on advertising/ . and er . I I don't see that er . that's going to . be

231 BH: any problem to you to move this material providing you give it sufficient shelf space/ .

232 DL: m-hmm/ .

233 BH: I think er .. we all know what er . television advertising does for er . for products

234 DL: particularly in Singapore/ . I think tha- the er . people here are very receptive/ .

235 BH: nm/

236 DL: and providing as I say you don't hide it round pillars and so on I think probably if you

237 BH: give it sufficient . shelf sp- display I think you'll have no problem . in selling er . these

238 DL: items/ with advertising over the first three months we'll review that after three months if

239 BH: you sh- if it is really going well/ by that time after three months you'll have placed at

240 DL: least one more . order with us/ . because we're talking of the six months . er six week

241 BH: turno- turn around/ . so by that time we shall know and we can review the advertising/ ..

242 DL: but certainly erm .. you sh- I don't see that you've got any problem at all/ . on selling this

243 BH: product/ it's nationally known/ or sorry/ . internationally known I should say/

244 DL: m-hmm/

245 BH: and . it for the time after three months it'll certainly be nationally known/

246 DL: ()

247 BH: so I think you know . er my company's moved . a long way from our . original opening/

248 DL: . and we've moved from . on the credit terms/ and we've moved on advertising/ . so you

249 BH: know I'd just like to see some movement from of goodwill on your part as well on this/

250 DL: we've said earlier that business has to be good for both of us/

251 BH: ()

252 DL: Mr Hockey I think you may . just have convinced me you know/ . to make a: business

253 BH: deal with you/ .

254 DL: I'm very pleased to hear it/

3BB

RP1/RP/BB

- 1 BB: well Richard/, since I'm the seller/, can I start by introducing myself/. I'm the area manager for National Foods/ ..
- 2 RP: thank you/.
- 3 BB: don't know if you er have a card with with you/
- 4 RP: yes/ indeed/
- ()
- 5 BB: how large is your area/, is it just Singapore or the whole of the ASEAN region/ it's the ASEAN region/ . er . and in fact we go up as far as er . Japan/ thank you/ and down as far as New Zealand/ .. and basically I'm .. in Singapore for seven or eight months of the year/ the rest of the time . I travel/
- 6 RP: [mm/
- 7 BB: the] patch extensively/ . we have local managers in all the major countries/ but we do oversee them/ . and control them/ from Singapore/ .. and how long have you been with the company/
- 8 RP: .. about .. three years now/
- 9 BB: u-huh/
- 10 RP: and .. last two years as the senior/ . buyer/ . in the team/ erm when we're dealing with your .. local managers/ . have they got complete authority to negotiate all the terms/ within parameters/
- 11 BB: [(inadmissible)
- 12 RP: and those] parameters are fairly loosely woven/ . they have erm . minimum prices/ . minimum . credit terms/ and indeed . we have the whole variety of er additional . benefits/ and services/ . that we can offer the purchasers which perhaps I'll go on to at a
- 14 RP: [mm/
- 15 BB: latter stage of our discussion/
- 16 RP: so we won't find that they have to refer back . to a higher . authority all the time/ not at all/ . not at all/ the . the only area where they would need to refer . would be if er . a lower price . level was to be breached/ . because they particularly wanted to do . what amounted to a loss leading transaction/ . in order to win new business/ . or if there was any er . quality control problems/
- 18 RP: mm/
- 19 BB: with the products themselves/ and then of course/ . that has to be referred to er centrally/ . for us to take necessary corrective action/
- 20 RP: right/ there's some flexibility for them to . adjust their prices downwards without .
- 21 BB: [absolutely/
- 22 RP: perhaps] always . er
- 23 BB: sure/ and we're also . er adult enough to know that . clearly a company like yours you've been dealing with the opposition . for so many years/ you'd be familiar with . er

- 24 RP: normal prices/ terms and conditions/ particularly for the type of basic products that . er we're going to speak about this morning/
- 25 BB: mm/ mm/ erm . as . it's not . just price which is important/ we also have to look at the quality of the food/=
- 26 RP: =m-hmm/
- 27 BB: the style of the packaging/ . and the other terms you can offer such as . speed of your delivery/ .
- 28 RP: m-hmm/
- 29 BB: erm .. and the the credit terms you require/ so it's the . the whole package/ . which we're interested in/
- 30 BB: fine/ well let me just tell you a little bit about that overall package/ because .. you may have seen .. our trucks/ . on the streets of Singapore/
- 31 RP: mm/
- BB: we do have our own . er dedicated . fleet of delivery vans/ . we also have contractors that we can call upon at a moments notice . if for any reason . our own vehicles can't cope with demand/ . we have our own storage facilities/ . out at Jurong/ . and by . storage facilities I'm not just speaking of er . palletised er . goods/ such as . er flour/ . et cetera et cetera/ we have refrigerated . facilities/ .. out there/ we . are . able to offer you . our own trained . marketing staff/ so that if you wanted to conduct . an in-store promotion/ . we can indeed er suggest a couple of young ladies come and spend . five days with you . and tempt . your shoppers/ . into in fact buying the particular products that we seek to sell to you/
- 32 RP: that would all be free of charge/
- 33 BB: that would be free of charge/ normally on a five day basis/ . we would normally put that in [for five days/
- 34 RP: and what sort of] minimum order would we have to . give/
- 35 BB: to be honest a little bit more than the . levels we're going to speak about today/ . I under[stand
- 36 RP: hrm/
- 37 BB: that . a thousand cases . of each of the three products is in mind/ . erm . ideally . we would have a minimum cut-off at two thousand/ . but if we're able to do business today . on all the three products . what I would suggest is . if you wanted to test us/ . in relation to this . marketing capacity we can offer you/ . then what we would do is suggest that . two of the ladies . come in/ and market . one of the selected . products/ . for a five day period/
- ()
- 38 RP: right/ right/
- 39 BB: one of the other areas er perhaps I could just touch on at this point also . I know that fruit juices . is . one of your interests/ .. we are able to offer you . again for slightly larger orders than the your the one you have in mind/ . a . branded brand named chilled cabinet/ . so that for your stores/ . that sought to: stock this particular product/ . we could install/ . at no cost to you/ . a chilled cabinet/ . now naturally it will . c- have the er the brand name/ . fairly prominently exposed . on the front of the cabinet/ mm/
- 40 RP: but simply all we ask you to do is provide the floor space/ the electricity/ . but it can obviously be a good saving to you/ and we're finding certainly that many of the . the
- 41 BB:

42	RP:	major if I may say . stores/ . here in Singapore/ . have taken up this particular offer/ .	69	BB:	[m-hmm/
43	BB:	you may indeed have seen them in the likes of Cold Storage/	70	RP:	customer] basero . in some of our supermarkets we'd be looking perhaps for a . a
44	RP:	[hmm/			Western type coffee/
45	BB:	[and Tierney/s/	71	BB:	m-hmm/
46	RP:	mm/	72	RP:	with a brand name/ . known to Americans and Europeans/
47	BB:	with our brand name on the front/	73	BB:	m-hmm/
48	RP:	mm/ well we're . moving towards having more of our own brand names/	74	RP:	whereas in the other . er supermarkets we'd perhaps be looking for . a coffee more
49	BB:	m-hmm/			suitable for the local people/ .
50	RP:	are you able to: . package the goods for us with our own brand name on/	75	BB:	[m-hmm/
51	BB:	absolutely/ er and in fact I thought this might have been an interest to you/ . and I've	76	RP:	and] . at this stage we want to buy just one . coffee/ . and er . and we see how we get on
52	RP:	taken the liberty of er printing up a little batch . of labels/ . with your [stores'			from there/ . [I
53	BB:	good/]	77	BB:	quite] interestingly we have test marketed/ . that particular coffee/ .
54	RP:	name on/ . and in fact . I've just taken .. a jar of coffee/	78	RP:	mm/
55	BB:	our particular branded coffee/ . with . your label . and your name on/	79	BB:	and we've test marketed it in er . the Orchard Road area/ . in the major stores there/ .
56	RP:	yes/			and we have also erm . test marketed it in Jurong/ . Jurong neighbourhood/ . and . our
57	BB:	and I must admit I hadn't realised you've become Nescafe supermarkets/ but .			findings suggest that that . is a good spectrum coffee/ . in the sense that it will be
58	RP:	(laughs)			palatable . for most people/ . significantly . significantly also we found that . coffee itself .
		[actually . that's that's			is not a separately price sensitive product/ . people either drink coffee/ . or . they will
		I think you'd appreciate the:]			drink tea/ . if they drink coffee . the fact that a particular jar of coffee might be a few
		one of our . trade names/			cents more expensive/ . than . the neighbour on the shelf/ . doesn't necessarily deter . the
		()			purchaser . from taking . their favourite coffee/ . we can of course if you wish . if indeed
		that's . that's impressive/ that's got very smart/ what about if we go for the: . well-known			you were to take . the particular brand I have before me/ . and you found that to be
		brands/ . er . such as . Lyons or .			unacceptable/ . or it was moving slowly/ . then clearly . we can . accommodate you by
59	BB:	[m-hmm/	80	RP:	either . supplying . more of the . well-known brand names/ . or indeed working together/
60	RP:	one of] the others/ . what .. er is that going to work out a lot cheaper/ .	81	BB:	. to try and come up with a slightly better balanced product/ .
61	BB:	probably not/ because . to be perfectly frank with you/ their . actual raw materials/ . are			the other . suggestion that I would make is of course that . if you elect . to . put your
		more expensive/ . than the: coffee beans/ . that we . use here/ . our . test sampling in			own . label on there/ . and . please remember that our mock-up . is our thoughts as to .
		Singapore does suggest to us that . most Singaporean citizens do prefer . a coffee which			the type of label you might prefer/ . but your people would be perfectly free to come up
		is . not quite so much along the lines if . if I may say of the Western . bean variety/ .			with . their own ideas as to a label/ . and we would arrange to have it printed for you/ .
		and this particular coffee that we've blended here for you/ . has . a touch of the Java/ .			but . what I would say is that . we . we would be willing to . start with a relatively small
		the bitter/ . [coffee			order/ . if you found it was moving slowly/ . we would alter/ . the composition . of the .
62	RP:	mm/]			Java beans to the Brazilian beans/ . we can of course . alter . the actual granular .
63	BB:	beans/ erm . mixed . in with the: the Brazilian beans/ . because we believe that this gives	82	RP:	texture/
		. er more acceptable/ . favourable taste/ . for . Singapore consumption/ that being the			so do you actually . manufacture the coffee/ . or do you have suppliers who you . pass
		case of course/ . our . our price/ . naturally reflects . the actual . basic . beans/ and from	83	BB:	on your . specification to/ . and you then just do the packaging for it/
		where they're sourced/ so . at the moment . I think you would find . that we're able to	84	RP:	we do the grinding/ [what we're actually . yes/
		provide that particular brand/ . cheaper than one of the top-draw brands/ but that is	85	BB:	you do the grinding as well]
		not . to imply . that it is a second class product/			we have . er . our own purchasing department that actually goes to the major coffee
64	RP:	no/ . no/ we're . we've got a . slightly complicated situation in that some of our			growers/ . and . dealing obviously through brokers/ . but we buy in . the coffee beans/ .
		supermarkets are in . slightly more expensive are[as/			and with those coffee beans we roast/ . we grind/ . and we then blend . our own . coffee/
65	BB:	m-h]mm/			..
66	RP:	with . a fair number of expats/ . whereas others are . in the lower income areas/	86	RP:	[mm/
67	BB:	m-hmm/	87	BB:	raw] coffee/ . and what we're trying to do of course is . within the ASEAN
68	RP:	dealing mainly with . erm . local people/ . and so we . have to . tailor our products to			neighbourhood/ . is to produce/ . a particular taste/ . which is . acceptable . to that
		reflect . the different customer .			particular community/ .

88	RP:	mm/ . that that all sounds quite reasonable/ our our experience . of . er surveys carried out by the food manufacturers is that they usually . look quite good for their own products/ . and er . we found . partly due to the . mixed supermarkets we have . and the mixed customer base that . the surveys don't always . actually .	110	RP:	here's the coffee/ . here's the jar/ . let's have your cheque please/ . we're saying/ . there's the price/ .. those are the services we offer . with that price/ .
89	BB:	mm-hmm/=	111	BB:	mm/ . what about for . a premium Western brand/ . one well-known to . Americans . and Europeans/ .
90	RP:	=er . prove to be . as good in practice as they are . on the survey/ . erm . so . we tend to . judge . how good a product is from the actual sales/ .	112	RP:	then in price terms/ . you would actu- actually be looking at price // . plus . J K L . and be looking at price M/ .
91	BB:	[quite right/	113	BB:	I see/ . right/ .
92	RP:	erm) .. so . that that's why we tend to go for smaller amounts to begin with/			and indeed we can demonstrate that from . the price lists/ . which we maintain/ . in fact I think I've got a copy . with me if you want to just take a look at after the meeting/ . just to establish . that what I am saying is true/ . because indeed the . main known well known brands/ the main brands/ . will be . far more expensive/ . than price // . for the same quantity/
93	BB:	[m-hmm/			hmm/
94	RP:	then] . if we find that it's a good seller/ .			without . the add on services which we would offer/ .
95	BB:	m-hmm/			mm/ . what would your price be for a larger order of say five thousand cases/ .
96	RP:	we'd be looking for much larger orders/	114	RP:	if you're able to . place an order of five thousand cases . we would .. offer you . the discounted price of . G . times five/ . because clearly . price G . reflects a thousand cases/ . we would be happy . to . provide you with . five thousand cases . at G times five/ .
97	BB:	m-hmm/	115	BB:	[hmm
98	RP:	on a regular basis/	116	RP:	and] again . then . still within . price G/ . we would offer . the other . additional services/ .
99	BB:	m-hmm/	117	BB:	mm/ .. I see/ . and . what credit terms/ . do you usually require/ .
100	RP:	can you give me . the prices for .. firstly . the . coffee packaged to our own label/	120	RP:	most of the large . buyers . do not demand . credit terms at all/ . er they're very happy to: pay cash/ . given of course the supermarket business being such a high cash flow business/ . we are however willing . to offer you . for . five thousand cases/ . either .
101	BB:	m-hmm/	121	BB:	thirty or perhaps exceptionally sixty days credit/ . if that was your wish/ .. five thousand cases/ . price G/ . go to a maximum of sixty days credit/ .
102	RP:	and secondly for say a . a premium . Western brand/ .	122	RP:	mm/ . I see/ . compared to . our existing suppliers/ . those prices are . rather on the high side/ .
103	BB:	certainly/	123	BB:	m-hmm/
		()	124	RP:	and . and we can certainly get . much better value else where/ .
		the . the simple answer . is to say that the . the well-known . labelled coffees for the same er . I would say quality/ . of bean/ . and for the same quantity/ . would be . normally . between twenty-five . and forty percent more expensive/ . than our average selling price/ .	125	BB:	m-hmm/
104	RP:	mm/	126	RP:	erm . and . from our point of view/ . given the profit we'll be making/ . there's little incentive to . take on new lines/ .
105	BB:	now that has to take into account . the: . the different pricing structures in the different countries that we deal in/ . but our overall bottom line is that our product is twenty-five to forty percent cheaper/ . than indeed . the shelf price/ . of our major . brand competitors/ . but coming down to . our . our actual price structure/ . I think you may've er . been given our basic . price list/ . that gave an indication . of er . the . nature . of our pricing mechanism/ .	127	BB:	m-hmm/
106	RP:	yes/	128	RP:	erm . and to try and push those at those levels/ . I mean it's something where . we can go to our existing suppliers/ .
107	BB:	and . for . a thousand cases/ . erm . our normal . our normal price/ . for . first time delivery/ . would be .. price // .	129	BB:	m-hmm/
108	RP:	right/	130	RP:	and they can offer better terms than these/ .
109	BB:	()	131	BB:	[m-hmm/
		now perhaps I should . add . that . of course price // . does include . your label/ . we would print your label/ . price // could include . the two ladies . for the five days/ . who'd be responsible . for . in a sense pushing . that particular product/ . with your shoppers/ . it would . if you wish . include fifty percent . of . the newspaper advertising costs/ . if you wished . to take one of the half-page adverts in the Straits Times/ and I've seen you . using from time to time . where you will actually identify . selected brands/ . at particular prices/ . in order to push those particular products/ . we would be willing . on a . again . a five day/ . each day . one half page advert/ . we would pay fifty percent of the advertising costs/ . within . price // . so it's a package really/ . we're not saying .	132	RP:	and we] already know that . they're capable of . meeting our requirements/ .
			133	BB:	m-hmm/
			134	RP:	erm . by going . to someone other than our normal supplier/ . we were hoping that perhaps we could . maybe get a better price/ . or a better service/ .
			135	BB:	m-hmm/

136	RP:	at the moment what you've offered is . not as good as we can already get/ . erm .			
137	BB:	really/ .	166	RP:	()
138	RP:	mm/ . indeed/ .	167	BB:	[what
139	BB:	oh they must've lifted their game then/ e:r in the very recent past/ . because .. indeed	168	RP:	subject] to . prices .
		many of the er . added benefits/ . that . which we now include/ such as . own labelling/ .			[mm/
		such as the chilled cabinets/ . the advertising/ . the in-store marketing/ . are all er .			not] increasing too much/ . as you know though . supermarket business is . fairly cut-
		matters . which we've introduced/ . over the last twelve months/ . and indeed . until	169	BB:	throat/ .
		recently I wasn't aware that the main . competitor agents . were actually . offering . the	170	RP:	sure/=
		same sort of services/ . you're . you're saying that they're all now offering these=	171	BB:	=and . margins are very small .
140	RP:	=mm/ . as as you've already mentioned you've seen our . adverts in the papers	172	RP:	m-hmm/
141	BB:	[m-hmm/	173	BB:	erm .. particularly with a new product/ where . we're not sure how well it will sell/ .
142	RP:	pushing] . our own products/ .	174	RP:	[m-hmm/
143	BB:	m-hmm/	175	BB:	the] . prices you've quoted/ .
144	RP:	erm . and . where they're not able to actually do the packaging themselves/ they .	176	RP:	m-hmm/
		arrange for . their suppliers to do that as well/ .	177	BB:	er . we we may end up making a big loss/ .
145	BB:	and the quality of those products/ . in other words the quality of the coffee/ . the: taste of	178	RP:	really/ .
		the coffee/ the size of the granules/ . all come up to expectations/ . they've all been	179	BB:	if they don't sell/ .
		within . the contracted specifications/ .			mm/
146	RP:	they've they've come within expectations but . due to our . mixed customer base/ .			()
147	BB:	[m-hmm/	180	RP:	what . what price . do you believe would be an acceptable price/ . for you to pay/ . in
148	RP:	and the] different types of stores we have/ . we're always looking for . niche products/			relation particularly now to the coffee/ . to leave you feeling comfortable/ .
149	BB:	[mm/	181	BB:	well we've . we've got some flexibility in that . we're looking at this as an overall
150	RP:	which] we can push/ .	182	RP:	package/ .
151	BB:	u-huh/=	183	BB:	m-hmm/
152	RP:	=and sell and . perhaps get a higher margin on them than we otherwise could/ . so erm .	184	RP:	erm . and .. we're looking to . now to make a profit on the overall/ .
		that's that's another of the things we're looking for/ in that . we have got . one or two	185	BB:	[m-hmm
		coffees which are selling well/ .	186	RP:	package] . of so much/ .
153	BB:	m-hmm/			m-hmm/
154	RP:	but we believe there's potential to . find another coffee . which will come somewhere in	187	BB:	and what which price we agree on a particular product/ would partly depend on the
		between those/ .	188	RP:	prices we can agree on the other ones/ .
155	BB:	m-hmm/	189	BB:	m-hmm/
156	RP:	and which we can . make a better profit on/ .	190	RP:	erm . so rather than .. talk about a price for one specific product/ .
157	BB:	it's very pleasing . to hear you say that . because clearly therefore . our offer to create a			m-hmm/
		blend/ . that is . wholly acceptable to you/ . is something which . I doubt . that the	191	BB:	I'd rather consider the whole package/ and obviously each . we must make a profit on
		major brands would be willing to entertain/ . for relatively modest .. deliveries/ .	192	RP:	each product/ .
158	RP:	()	193	BB:	m-hmm/
		they . our existing suppliers . do accommodate . for relatively small deliveries/ when it's	194	RP:	otherwise there's no point in doing it/ .
159	BB:	a . a new product which we're testing out/ .	195	BB:	m-hmm/
160	RP:	=because they know that . if it works/ . they'll get larger orders/ .			m-hmm/
161	BB:	m-hmm/	196	RP:	at this stage/ . as it is a new product/ we're perhaps prepared to . accept a lower profit
162	RP:	erm . and once we do have . a product which is selling well/ . and at . er . and which we	197	BB:	than we would for one of our regular lines/ .
		can buy at a reasonable price from our suppliers/ .			m-hmm/
163	BB:	m-hmm/			()
164	RP:	then we tend to . erm . stick with that supplier/ .	198	RP:	er
165	BB:	m-hmm/	199	BB:	would you think therefore . now would be a good time . for me just to extol the virtues
					of er . our toma- tomato sauce . and the fruit juices/ .
					clearly [yes/
					and] . let's let's discuss those/ .

200	RP:	()	percent of the selling price of the Heinz tomato sauce/	mm/
201	BB:	taking first the tomato sauce/ . our own again research . here in Singapore/ . has told us that . by and large . it's the er . the tomato . taste . that is of paramount importance/ . together with er a good deep red colour/ . now . our product has been specially . again . produced . with those main criteria in mind/ . because we are of course anxious . to avoid the situation that I believe occurs commonly here in Singapore/ . where the tomato sauce bottle/ and the chilli sauce bottle/ . get confused/ .	220	RP:
202	RP:	mm/	221	BB:
203	BB:	so what we've made sure is that . out toma- tomato sauce looks like tomato sauce/ . again- again . if I could just (takes out products) give the er . I have three . hungry children who have left me the remnants in that bottle/ . of some tomato [sauce/ . they] . certainly seem to enjoy it/	222	RP:
204	RP:	but er . that is . the er dark red colour . I was	223	BB:
205	BB:	[yes/	224	RP:
		describing to you/ . and again . the style of the bottle . with minimum labelling/ . does enable the consumer/ . to see straight away/ . the quality and consistency of the sauce contained therein/ .	225	BB:
206	RP:	()	226	RP:
		mm/	227	BB:
207	BB:	()	228	RP:
208	RP:	I see this has . modified edible starch in it/ . erm . our experience is that our . expatriate customers . and those locals in the higher income brackets/ .	229	BB:
209	BB:	[m-hmm/	230	RP:
210	RP:	tend to] be put off by . seeing . ingredients such as that/ .	231	BB:
211	BB:	m-hmm/	232	RP:
212	RP:	yes/ . can I ask you one question . concerning that	233	BB:
213	BB:	[mm/	234	RP:
		to]mato sauce/ were you proposing to . sell . in your own . name/ . again to be specially labelled . with . your name on the product/ . . because . one comment I will make if that was your intention/ .	235	BB:
214	RP:	mm/	236	RP:
215	BB:	again we've conducted ex- extensive test marketing here in Singapore/ . and the one thing we have found is that er . your . expatriate . and the rather wealthier Singapore citizen . is . unlikely . to move away . from his Heinz tomato sauce brand/ . it's a . it's an oddity/ . but the . the brand confidence of the consumer/ . particularly in relation to a product like tomato sauce/ . is powerful indeed/ . and we have to say to you that we do not really think . that . the particular . sauce I have there/ . with your label on/ . would sell . readily . to: the: wealthier . person . who is shopping in your stores/ . we think the bulk of sales . will be . to the average/ .	237	BB:
216	RP:	[mm/=	238	RP:
217	BB:	=Singaporean in the street/ .	239	BB:
218	RP:	mm/ . I see/ . for a say a . do you do you supply Heinz/ . tomato sauce/ .	240	RP:
219	BB:	we do/ . but I have to say here in Singapore/ . and er . basically in the ASEAN countries/ . very little/ . we find that it's a very expensive product as you may know/ . we can produce that particular sauce for you at something . in the order of fifty-five	241	BB:
			242	RP:
			243	BB:
			244	RP:
			245	BB:
			246	RP:
			247	BB:

248	RP:	and it comes presumably you can't, you can meet that requirement/ so that's fairly standard/.	265	BB:	m-hmm/
249	BB:	absolutely right/ and if we're able to er, if we're able to, indeed meet, one another/ in terms of, price/ for five thousand cases/ .. what I would offer you, on all three products/ because clearly I would be very happy, to see us, providing five thousand cases of each product/ I would undertake, to deliver/ one thousand cases/ on day one for you/ and to maintain, the other four thousand/ cases of each product/ guaranteed/ in Singapore/ in our Jurong warehouses/.	266	RP:	how quickly could you, supply us with more.
250	RP:	mm/	267	BB:	that in fact was my forty-eight hour period/ because, I know that we would have the labels printed/ it would simply be a case of er, attaching, the printed labels, to: each product/ and then making sure that we delivered it to you/ that would be forty-eight hours/.
251	BB:	and I would undertake therefore, to be in a position, to deliver part or all of the four thousand/ case balance in each product/ within forty-eight hours/ to any of your stores/.	268	RP:	mm/ .. mm/ I see/.
252	RP:	()			()
253	BB:	that's fine/ forty-eight hours is, on the long side/ at present we're getting about thirty-six hours/ but, forty-eight hours, is acceptable/ .. that that would be, quite good for us/.	269	BB:	can you tell me a little about the, juice/ and then we can come back and discuss all the prices [again/
254	RP:	[m-hmm/			fine/], sure/ well, our juice is of course, our provided in three, different er, flavours/
255	BB:	because] if it does sell well/.			, and this reflects the, the most popular, flavours/ which again our test marking,
256	RP:	m-hmm=			marketing has indicated that Singaporeans prefer/ in the descending order of importance orange/ grapefruit/ and lemon/ you will .. notice from the, erm, sample
257	BB:	=we don't want to, take the things off our shelves because we haven't got the supplies/			that I brought with me/ but didn't because the children opened it over breakfast this
258	RP:	yah/=			morning so I wasn't going to bring it and have it leak all over the rest/ however/ you
259	BB:	=at the same time if it doesn't sell well/ we don't want to be in a position where, we're			will see, that this particular sample/ does come in a clear plastic container/ now we
260	RP:	stuck with four thousand cases of, coffee or tomato sauce which we can't, get rid of/ yes/.			believe that this is vitally important/ and we think this is a: very strong selling point/
261	BB:	erm .. what I would like to agree is a contract whereby we, undertake to buy, a	270	RP:	over the: actual cardboard/ containers/ in that, the purchaser can see/ the
		thousand cases/ .. erm, but at the same time/ if the sales, are good/ as we expect/.	271	BB:	composition/ the colour/ the consistency/ of the juice which we're selling/ we know
		erm, then we take on the other four thousand cases at the same price/.			, that, the: population here in general/ prefer, little pulp/ therefore the juice mustn't
		mm the problem that would give me however would be the fact that I'd have to: stock			be too thick/ the: particular, packaging that we've selected/ for our juices/ allows
		pile, four thousand cases of each product/ without any guarantee of a: subsequent	272	RP:	the consumer to see at a glance/ what sediment is in the bottom/ of the container/
		sale/ that also would er give me a problem/ because, it would mean I couldn't label up	273	BB:	how much pulp is contained therein/ and the, basic viscosity of the juice/ now we
		the four thousand/ cases/ with your name/ for fear, that you elect not to take it at			think that this is a vitally important selling point/.
		some, future point/ so I think, I'd have to say we either, contract, to deliver, a			this is fresh fruit juice or long life/.
		thousand/ at specific prices/ or we contract, to deliver/ five thousand/ at specific			it's fresh fruit juice/ erm, to the extent that obviously it's reconstituted/ from, the
		prices/ but that I offer you, the: free storage/ and by free storage, I guess we would			actual fruits themselves/ which have been transported from, the country
		have to put er a time limit/ on that/ of three months/ obviously erm, our space,			[mm/
		does have a cost/ does have a value/ the: I guess, only other sweetener that I could			o:f], growth/ and then reconstituted here/ into the fruit juice/ but I would also say it
		offer you/ would be that if you were to contract/ for the five thousand cases/ then we			does have, the minimum, of, additives/ and those additives that are contained therein/
		would be willing to: give you, a contracted, credit term/ whereby, providing you	274	RP:	have been selected, with, simply the one thought in mind/ to prolong, shelf life/ to
		took the, thousand cases on day one/ we would allow thirty days credit/ for first	275	BB:	a reasonable degree/.
		thousand cases/ then providing you took delivery, of a thousand cases/ on each	276	RP:	and how long is shelf life/.
		occasion/ we would allow you, a further thirty days credit/ for each thousand case	277	BB:	nine months/.
		delivery/ .. but, I really, I would really have difficulty in contemplating, an open	278	RP:	so this is long life/.
		ended contract/ where we were left with, erm, a moral obligation, to deliver/.	279	BB:	absolutely/.
		mm/			fruit juice/.
		but not, for you to have a legal obligation to buy/.			yes/.
262	RP:	mm/ if we did take, contract for just say a thousand cases/ and then sales proved to	280	RP:	()
263	BB:	be good/.			we, find that in our supermarkets that, we can obtain a greater premium, from, fresh
264	RP:		281	BB:	fruit juice/ which obviously only has a, a week life/ er shelf life of, a few days/.
			282	RP:	[m-hmm/
			283	BB:	or a week] or so/.
			284	RP:	m-hmm/
					whereas the longer life ones/ we can't get, such a good price/ for/.

335	BB:	m-hmm/	research/ . as I mentioned and [er	368	RP:	mm/]	the time I spent in your Clemet Store/ . er I did obviously look at . our competitors/ .
336	RP:	erm . and . we think that we're . pretty good at it/ .		369	BB:		that were currently supplying the er products to you/ . and . particularly in relation to
337	BB:	m-hmm/	so . from our point of view/ . whereas . extras like that are obviously . attractive/ . er				coffee/ as I did see your selling price/ . er if indeed . you had . sought/ . to take me
338	RP:	they're not a necessity/ .					below price F/ . I judge that the mark up on . our competitors/ . coffee supply to you/ .
339	BB:	m-hmm/	I think . I think you've probably told me enough about the products/ .. and I think what				would have been in the order of about sixty percent/ .. is that your normal profit
340	RP:	we're looking for . is to have . our own . label/ . goods/ .					margin on coffee/ .
341	BB:	m-hmm/	erm ... and . they're they're all goods where we want to . go for the . for a niche/ . part of	370	RP:	()	it's . the the mark up partly depends on . erm . what the other supermarkets are doing/ .
342	RP:	the market/ .					we tend to find that . somebody will . particularly push a certain product/ .
343	BB:	m-hmm/	something a little different/ . from the ones we're already selling/ .	371	BB:	m-hmm/	and then all the prices . will come down/ .
344	RP:	fine/=		372	RP:	m-hmm/	erm . so with . some products such as spices/ .
345	BB:	=erm . possibly with a view to . replacing some of the goods we're already selling/ so		373	BB:	erm . so with . some products such as spices/ .	
346	RP:	that . if they do prove successful/ . then we'll . market those and stop selling/ . some of		374	RP:	[m-hmm/	we do] have . a very high mark up/ .
		our existing/ .		375	BB:	yes/=	=whereas with other ones such as milk/ . tends to be much smaller mark [up/
347	BB:	m-hmm/	erm . goods/ . s regards . yourselves/ and . and the competitors that you have/ . erm .	376	RP:	sure/]	as regards coffee/ . it partly depends whether there's a . a price war going on/ .
348	RP:	we're always looking for new suppliers/ .		377	BB:	m-hmm/	and we find particularly with own label/ coffees/ .
349	BB:	m-hmm/	and we expect to get the best terms from our suppliers and a good service/ .	378	RP:	m-hmm/	erm . because all the supermarkets are trying to push their own label/ .
350	RP:	of course/ .		379	BB:	m-hmm/	they'll often reduce the prices/ .
351	BB:	erm . and we're . continually reviewing . the market place to see where we can get the		380	RP:	m-hmm/	of those/ .
352	RP:	best deals/ . erm . your . your company has a reputation for being flexible/ .		381	BB:	m-hmm/	erm . whereas/ . say the . the Western premium brands/ .
		m-hmm/	and for . providing a good service/ . at a reasonable price/ . which is why we've	382	RP:	m-hmm/	erm . they're less likely to be reduced by such an amount/ .
353	BB:	approached you/ .		383	BB:	m-hmm/	erm . so .. the the mark up would vary/ .
354	RP:	er at the same time/ . your rivals know that we're looking around/ . and er . the prices .		384	RP:	m-hmm/	well if we were to . take coffee as an example/ .
355	BB:	we get at the moment/ . are . better than . the ones you've indicated to me/ certainly for		385	BB:	m-hmm/	and applying the same mark up/ . profit mark up/ . on the coffee provided by our
356	RP:	the . for the coffee/ . erm . and I know that . if they . hear that we're looking .		386	RP:	m-hmm/	competitor/ .. I believe that that . would . give me . a selling price to you/ . of G/ . now I
		elsewhere they will reduce their prices/ . downwards to er . try and keep us/ because we		387	BB:	m-hmm/	recognise/ . I recognise that . you would . obviously seek . some . price benefits/ . if you
		do . have quite a big turnover/ .		388	RP:	m-hmm/	were to enter into . this business relationship with us today/ .. now that being the case/ .
357	BB:	[m-hmm/		389	BB:	m-hmm/	and dependent if I may say . on . what prices we're able to strike for the juice . and the
358	RP:	and we do] place . large orders with them/		390	RP:	m-hmm/	tomato [saucel .
359	BB:	[m-hmm/		391	BB:	m-hmm/	mm/]
360	RP:	and er] . I think I can say with confidence that . we are a good firm to work with/ .		392	RP:	m-hmm/	
361	BB:	we pay on time/ .		393	BB:	m-hmm/	
362	RP:	m-hmm/		394	RP:	m-hmm/	
363	BB:	and we . keep to our word/ .		395	BB:	m-hmm/	
364	RP:	sure/ . that . I have to admit it is the er the message/ . I get from within the industry/ .				()	
365	BB:	mm/		396	RP:	mm/	
366	RP:	and that's obviously why we're anxious/ . in so far as we're able . to commence this		397	BB:	mm/	
367	BB:	business relationship today/ . I: clearly had er conducted a little bit of er in-store					

there's any aspect . that you want to discuss with me concerning the . small print/ . I'll be in the office tomorrow morning/ . and I'll be happy to receive your call/ .
fine/
OJK/ . thank you very much/ .
you're very welcome/ . now I checked with your secretary/ . you are free for lunch/ .
yes/ .
and I understand the Shark Fin Restaurant's your favourite/ .
yes/ . indeed/ . [(inaudible)
let's go over there] then/ . [OK/
thank you/]

RP: 542
BB: 543
RP: 544
BB: 545
RP: 546
BB: 547
RP: 548
BB: 549
RP: 550

coffee/ .
I think the . normally we find that . the sauce/ .
m-hmm/
we can make a profit/ .
m-hmm/
erm . whereas on the coffee/ . and the juice/ the margins are not so good/ .
really/ .
but it it's . with with the tomato sauce it partly depends/ . what we all in fact . what
what our competitors are doing/ .
m-hmm/
erm . if they decide to . or or if we decide to . wage a price war/ .
m-hmm/
erm . then . then the the margins do fluctuate/ .
m-hmm/
but I think er . on the tomato sauce/ . that's that's one of our . one of one of the best
[(inaudible)
I see/]
()
I'm willing to offer you . price A for the tomato sauce/ .
mm/ .
in return for F on the juice/ .
()
I could go to price F on the juice/ for . price A on the tomato sauce and price C on the
coffee/ . er . but er . not not not otherwise/ .
()
or I could go to price A on the tomato sauce for price E on the juice/ .
()
mm . well Richard you've given me a little bit of a dilemma here because . I think ... the
best . arrangement for . the mutually best arrangement for us/ . would be to . offer you .
tomato sauce A/ .
mm/
coffee . I'd reluctantly go to B/ . but the juice/ . ideally/ . I'll have to take G/ . . does that
offer you: . . what amounts I guess to our potentially last compromise/ .
A B and=
=G/ .
G/ .
()
yeah/ . that's a deal/ . I think/ .
A/ . [A/]
A/ . [A/]
and) G/ .
and G/ .
excellent/ .
[right/
well] . what I will do/ . I'll go back this afternoon/ . I'll get my people to draw up the
contract on that basis/ . we'll have it couriered round to you by this evening/ . and if

512 RP:
513 BB:
514 RP:
515 BB:
516 RP:
517 BB:
518 RP:
519 BB:
520 RP:
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522 RP:
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525 BB:
526 RP:
527 BB:
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531 BB:
532 RP:
533 BB:
534 RP:
535 BB:
536 RP:
537 BB:
538 RP:
539 BB:
540 RP:
541 BB:

1	HC:	Mr Lee er . I'm Mr Lum from National Foods/ .	17	HC:	mm/	and and selling very well/ . what . our intention is when we . get in touch with you is we
2	AL:	m-hmm/	18	AL:	want to increase the product range/ . and . that being so your your price/ . must . stay	
3	HC:	and . today I've come to offer you some of my er three products basically/ . I think er			close to what . the . what . we are able to get from other suppliers/ . now if you are	
		you're well er aware of them they're well-known brands/ . and . I hope to be able to . er			unable to . provide the the prices close to what I . quoted to you earlier on/ . er . is	
		do business with you/ . er my three products basically are tomato sauce/ er . coffee/ and			not . that we . may not be able to consider . er the purchase from you/ . it's on the basis	
		er . juice/ .			that . you will not sell at all you see/ so . if you . can't sell/ . and at the price you quote	
4	AL:	m-hmm/ . er . we we actually need to talk about these three product/ but er . if er . if er	19	HC:	you're making . er losses/ then it's impossible to . to talk even further/ .	
		we er . can . agree to a good negotiation with . we may even consider other product as			as I've told you Mr Lee/ . I can show you sales figures . where we are selling this price	
		well/ . not o- not only for this er one time order but er . er in the long term/ . er basis/ on			to other supermarkets/ and they are . selling very well/ . I'm sure if you were to do the	
		the long term basis/ .			same/ . you know . your sales will be just as good if not better/ . because . look at it this	
		that's good that's [good/			way/ . take you are you are . you [intend	
5	HC:	m-hmm/]	20	AL:	I I] I'm sorry I have to interrupt again/ . I've taken . for granted/ . even if it's new product	
6	AL:	so er . according to my figures ér/ . mm . I think er . prices for tomato sauce coffee and			and launched at our store/ and it sells well/ . but at the cost er that you are providing us	
7	HC:	juice ér/ . er price I would seem a . reasonable price/ what do you think Mr Lee/ .	21	HC:	we are making losses/ . so if we sell [(inaudible)	
		for which product/ .			you can always] raise your selling price/ . right/ . what what I'm selling to you will be	
8	AL:	er . all three/ .	22	AL:	only your cost price/	
9	HC:	all three/ er . er I'm afraid that . this is far . far much . more expensive than . the er .			yes I can raise the] selling price but it will not sell you see/ . at the at yours . your price	
10	AL:	comparable brands of the same product/ . that we get from er . present . suppliers/ in fact	23	HC:	is markedly differs from what we are having/ . supply at the moment/=	
		. er if I were to . to let you know . what . we currently er . have for our suppliers/ . is er			=I should think I should think . when you wanted to . increase your range of products	
		for for tomato sauce/ . we are . we are getting a price of around B/ .			that you are specially . targeting your product . to a certain group/ I'm sure . you do not	
11	HC:	B/ .			want your whole range to . cover . you know the whole population in general/ I'm sure	
12	AL:	right/ . now er . in coffee/ . B/ . juice B/ . and this er is based on er . on three . three			you're targeting for a specific group/ now we can help you target . for that specific	
		months . credit/ . er basis/ and . on a order of one time order of er . thousand cases each/			group/ especially when . I'm er you have a lot of . expatriate customers/ who I believe/ .	
		. so er . I see that er . the prices that differ markedly from . what . what it what is the er .			are very concerned about things like additives/ and taste/ and colour/ . we we can .	
		current market prices offered by other suppliers/ may be . you could er . er look through			provide you with all those specifications which . other brands are not able to/ . and	
		. and see . how you could er . deviate the the prices so much from . the other suppliers/ .			because . you . specially er . satisfy the needs of those customers/ . they will be willing	
13	HC:	er . I think . the other suppliers are different from us in the sense that . our brands are	24	AL:	to pay a higher price for such products/ .	
		really well-known/ and . they sell well/ . I can show you sales figures of . er other			I I . see that you =	
		supermarkets which which we are supplying to and you can see from . there that you	25	HC:	=why don't you .	
		know . our brands really sell well/ . and we . we also specially package our . er foods	26	AL:	say that	
		according to your specifications to fit the needs of your customers/ . I'm sure you have a	27	HC:	take it on a trial basis/ [and	
		a . wide range of customers with er dif- different taste and . so on/ . so we can . specially	28	AL:	not] at that price ah/ . there is . impossible to . to even talk . about . successful er . deal	
		. package our our products to meet your needs/ . for example/ . er . tomato sauce/ . er we			[er . at that price/ .	
		can give you . a taste which is either . sweet er or a more tart taste if you prefer that/=	29	HC:	try it on a trial basis/ .	
		=er er I'm sorry if I may interrupt áh/ . now if you are talking about prices that we just	30	AL:	[no no/	
14	AL:	quote áh/ . I'll be incurring losses áh/ . so er . if you were to . hope to achieve anything	31	HC:	if your] figures . your sales figures are not are bad we can re-negotiate again there's no	
		ér/ . the prices will have to be drastically er . adjusted ér/ . to: =			problem/ .	
		=how how will you [(inaudible)	32	AL:	no if . you see I'm . act . I'm coming here to negotiate on a very tight constraint based on	
15	HC:	to come] in line with/ . competitors' product/ . now I-let me . just er . illustrate from our	33	HC:	. past . management policies/ . which I . have only a . limited liberty to . er deviate/=	
16	AL:				=I thought you [were:	

34	AL:	so the price, currently our management like what we get, for reputable product that sells well and is profitable to us is that, the price of B for, all this three products, and er, I like to add that the..	63	HC:	send staff to us we will train them
35	HC:	surely Mr Lee our figures can't be (inaudible)	64	AL:	[where that
36	AL:	if if we were to purchase from you/, if we were to purchase from you/, unless unless you can, er, er, substantiate that, your product, er, is as good/ if not better than, the current product that we have/ at the competitive pricing/ then, [how, how can you I don't think I need] to advertise, the brand of my products/ they are well-known I'm sure you've heard of them on the market Mr Lee=	65	HC:	especially] for your (laughs) promotion[al, needs/
37	HC:	I don't think I need] to advertise, the brand of my products/ they are well-known I'm sure you've heard of them on the market Mr Lee=	66	AL:	where that matter is] concerned is, not too much of a, important to us/, really/.
38	AL:	=I I have this that, in fact er, I have a discussion with another supplier earlier/, and, h- it is a established/, firm I do not even, er, mind telling you/, that he's from one of the very reputable, er, supplier, by the name of National/, er	67	HC:	because ours [is established, chain/
39	HC:	that's my company/.	68	AL:	you were worried, you were worried] that, the item cannot sell/, so I'll assist you [in the advertising and marketing/
40	AL:	National Y, that's different from your company/ [and the:.			no:: I, I'm con]fected with the price/ selling, er it doesn't really matter because in the market already there are many products/ what we want is to increase, in variety/ we don't want to waste, shelf space by stocking, product that are going to make losses/.
41	HC:	National Y/]	69	HC:	there is there no point at all/, I believe [when you come to
42	AL:	they're willing/ to, to gave us/, at, at the marked, [marked price (inaudible)			you you're approaching] the problem with, with the idea that that you're sure to [lose/
43	HC:	I'm I'm not saying I'm not] saying that other, er, companies are not able to provide you with cheaper food product/.	70	AL:	you're sure not to sell/.
44	AL:	so why then should			no I'm not, I'm not being,] inflexible/ I believe when you come to, discuss, a, long term business partnership like this/, that there is always a margin for negotiation/ and, and frankly you're quoting me a prices that I'll incur heavy losses/, not to even mention to cover cost of, er, cost of er, selling your, and storage of all these er, item/.
45	HC:	[(inaudible)	71	HC:	I tell you what Mr Lee I tell you what/, I can go do:wn on, since since I feel that you, can be a good long term customer/ your, your supermarket chain is a reputable one/.
46	AL:	I] buy from you/	72	AL:	[please quote a price/, please please quote a price, competitive to er
47	HC:	[fair enough/.	73	HC:	I'll go down I'll go down a little on, tomato sauce and, I'll go down I'll go down a little on tomato sauce/ but, for coffee and juice it's a bit difficult I tell you why/, you see
48	AL:	if you are], unable to			juice, our juice is er, imported from the States and, currently I've heard that they had a, drought in the States/.
49	HC:	I] er	74	AL:	[then
50	AL:	[quote a], a even near competitive price/.	75	HC:	the] prices have really shot up/=
51	HC:	that's because, my products are different from the rest/ and because they differ/, so likewise the price will differ also/.	76	AL:	=I I I'm sorry to say e:r that's, the problem that you face/, now we we also have, juices imported from other country by, other suppliers they are quoting, at a price of, around B that we bought/, and we are assured of, good quality/, and customer loyalty to those, products/, so why would we want to take a risk/, to, er, take a product from you/, and at a, fairly higher price that, cause us to incur losses/ when we already are having, e:r, successfully er,]er
52	AL:	=I'm sure, you, the shirt you're wearing it's a, Manhattan shirt/, what's, why would you be willing to pay/, let's say forty dollars for it compared to maybe a, CYC shirt [that costs ten dollars/.	77	HC:	no]body, I'm not arguing that your current brands are not selling well what I'm saying is this is going to add/, to your sales figures/.
53	HC:	maybe you're not familiar with, the er, because of, you you're willing to pay for the image/ the brand name/ the quality/, so likewise for your food products/.	78	AL:	[no, I think I think as businessmen we are more concerned with
54	AL:	no you you, you probably are not er, familiar with the, the type of industry but in, we are in basically foodstuff/ basic item/, now the price/, no matter how you do the packing, cannot differentiate, markedly from, competitive products and they are abundance of these product in the stores/.	79	HC:	because you're going to bring in, you're going to bring in a] new, clientele/.
55	HC:	I tell you what, we will,	80	AL:	I I I]
56	AL:	I] believe when you come	81	HC:	new] customers to your stores/=
57	HC:	also assist you in] your advertising and your marketing/.	82	AL:	=I think you agree with me that, we are more concern with, the bottom line/, now if a product/.
58	AL:	this is er, a standard/, that when you do, you you of course when you are a who, a agent for a, a product/ you, do, general promotion this is [as expected/.	83	HC:	we must think about the long term also not
59	HC:	that's true] that's true but, we will, we will, do more than our usual/, we will, you can	84	AL:	[yes/ yes/
60	AL:	that's true] that's true but, we will, we will, do more than our usual/, we will, you can	85	HC:	just er short] term bottom line/, that's why I'm willing to give it a trial period/, for the product/, if, you you if you are, if you show me your sales figures and they don't sell well/, I'll re re negotiate with you no problem/=
61	HC:				
62	AL:	I]			

86	AL:	=but we not just a matter of sales/ but=			
87	HC:	=why don't you . [try it on a trial basis/ .	115	HC:	the bulk of it come from convenience store/ and they are located in the . customary .
88	AL:	at a price that we] can make a decent margin/ .	116	AL:	customer profile of those low income group/ . and .
89	HC:	if you are afraid it doesn't sell we can . you know have a trial period/ . and I'll be fair to	117	HC:	but .
90	AL:	you/ if . if doesn't sell . we'll negotiate for a better price/ .	118	AL:	[all these prices
91	HC:	I think er I have to make it clear/ unless you are willing to . drastically adjust your	119	HC:	number of sales] doesn't mean . the your profit margin is higher right/ you could have
92	AL:	price/ .	120	AL:	lower profit margin and have higher sales/=
93	HC:	look B [is	121	HC:	=no the s- price . must be competitive/ competitive otherwise it will not sell at all/ and
94	AL:	which] is our main concern/ [then . I don't see how we can . negotiate further/	122	AL:	we do not want to . our convenience store are . of small er . space/
95	HC:	B is . is . B is . is . too far away from my . I can go down a little/ . . let's say to [G/	123	HC:	look Mr [Lee/
96	AL:	what] what's your offer/	124	AL:	so] if you're going to put product in that don't sell/ then you'll be a very high cost to us
97	HC:	[G/ .	125	HC:	in terms of . you know replacing them and . and continue to use our existing er
98	AL:	G/] . G is a impossibility/ er it's . far [far	126	AL:	successful product/
99	HC:	B] . B is . not even worth . selling to you/ I . because . it doesn't even cover our	127	HC:	look Mr Lee/ . the reason I cannot . adjust too far off from my: initial offer prices
100	AL:	manufacturing cost/ .	128	AL:	because I'm . selling the same goods to other supermarkets/=
101	HC:	but that's] what being er . offered/ by reputable brand/ .	129	HC:	=I believe you=
102	AL:	I I told you: our brands are different from . others/ . it's like your Manhattan shirt	130	AL:	=if I were to charge you . very much lower er/ . all my customers will be running to me
103	HC:	[versus a CYC shirt/ .	131	HC:	and will be crying er bloody murder/ .
104	AL:	I I I may add] that I I I may you pardon me for being of- er a bit offensive/ . but you	132	AL:	likewise . right . er . common business sense . tells me that=
105	HC:	come here and you say your product is good and you didn't even bring me samples/ I do	133	HC:	=because .
106	AL:	not know h- what . products look like/ . and you're quoting me [at such a price . how	134	AL:	it's a not good a it's not a good a deal because your your price markedly different from
107	HC:	will I be able to	135	HC:	others/ why would I want to take a risk to er . launch a new product/ put into my store/ .
108	AL:	if .. our well-known brands/] . you . do not tell me you don't have . [some in your house	136	AL:	where I'm making losses I tell you frankly I'm making losses/ .
109	HC:	I don't have [inaudible]/	137	HC:	look I'm at it this way/ . I'm an agent
110	AL:	some in your house/ I'm sure] you you have . you have consumed some in your house	138	AL:	[tell me . how . what how does that benefit
111	HC:	but if you want samples no problem I can send my man			for that brand/ . do you think the] do you think the: the I'm only an agent do you think
112	AL:	[but er			that the the brand name the owner would allow me to: just adjust the price like/ that
113	HC:	we have] samples outside in my car . [(inaudible)			such that the price of his goods/ fluctuate/ . by so much/ . he wouldn't want that kind of
114	AL:	but I think you agree with me] er . you er . you have to agree with me that . competitive			image in his . his er product also/ . he will give me a rough guideline of where how
115	HC:	prices/ . have . to be adhered in order to make sales/ . and . we have er .. like er yourself			prices should fluctuate/=
116	AL:	. er certain profit margin/ . needed to cover cost/=			=I think at that price you're quoted if you're not prepared to negotiate er/ . for a better
117	HC:	=as I say you can			term/ . e:r there is no point to discuss further . on on this er . [(inaudible)
118	AL:	[can you			as I said Mr] Lee/ . I can go down to G/ . but B is . definitely too far off/ you have only
119	HC:	always] increase your selling price/ yours is not a pro- it's a matter			given . me one price B and . that is hardly negotiation/ .
120	AL:	[you will not			B for all three products/ . now you
121	HC:	of adjusting your selling price only right/=			[you you
122	AL:	=I don't think it will sell/ because this er . not very differentiated product/ they are end			you have] quoted a far way off of I for all three product/ .
123	HC:	product/ basic product/ . needed by . the . common housewife/ I will let's let you know			[yah so now I . I
124	AL:	what . is our customer profile/ . it's now we have altogether three . eleven stores/ three			. and I don't see] I don't s- think we differ much er in terms of being er . too . drastic/
125	HC:	are of medium size/ . and eight of which are convenience store/ located in a locality where			. in our asking ah/ if . if you're prepared to be serious in er doing er . business/ . I'm
126	AL:	households are . of . middle and lower income/ . and certainly er you would . you			prepared to consider . compromise/ . compromise prices/ . and also I have to look into
127	HC:	cannot . sell . product . at . at the prices that you charge/ . [and .. and eighty percent of			what are the credit terms and what are the quality of product/ . now the existing
128	AL:	our sales are from the convenience stores/			product we have
129	HC:	can't you . er . offer these products at your your your .] middle to high income stores/			I don't think you] have to worry about quality/ ours . is a well-known brand/ you don't
130	AL:	yes yes but our our . I I'm in fact er revealing . company secrets to you that er our sale			have to worry about quality the quality is [guaranteed/

139	HC:	but] you have just given me one price <i>B</i> and nothing else/ . [what what what	161	HC:	this is hardly any change from your initial prices Mr Lee/ .
140	AL:	similarly you have] given me one price <i>I</i> for all three products/=	162	AL:	no the consideration is very different/ markedly different/ because er purchase now order
141	HC:	=I said I can go [down to <i>G</i> / .			quantity is . increase/ . and . at this price/ . then I think I'll be able to . convince .
142	AL:	at a price I'm] making losses/ .	163	HC:	I d- I d- . [actually
143	HC:	so what can you go up to:/ .	164	AL:	management to] . to even consider . [reasonable
144	AL:	<i>G</i> for what/ . which product/ .	165	HC:	actually the] the numbers are not important to me right now/ .
145	HC:	<i>G</i> / . for let's say the three products/ .	166	AL:	but you see
146	AL:	all <i>G</i> for three products/ .	167	HC:	[I I
147	HC:	yes/ ..	168	AL:	if you are] you are introduce any product to me/ .
148	AL:	no/ . what say you if I'm prepared/ .. to consider/ . on a larger bulk purchase/ more than	169	HC:	no/ . previously you . I mean you . mention you . at a thousand/ now you want to order
149	HC:	thousand/ say if I were to consider two thousands/ .			more/ . two thousand and three thousand=
150	AL:	two thousand/ .	170	AL:	=m-hmm/ m-hmm/
151	HC:	two thousand cases instead of one thousand/ . cases/ at er what price/	171	HC:	actually I don't even want to encourage you to order more at this time/ I want you to .
152	AL:	you're buying			order amount which you feel comfortable with/ . try it out/ . and if you think you can
153	HC:	()			sell/ order more/ . by all means order more/ . I don't want you to . you know/ try to get .
154	AL:	()	172	AL:	order more and then find out you can't . sell and then [you (inaudible)
		these are for one thousand cases I believe that we are: based on/ . now if we are .			no that that's our problem you need] not worry/ now I . when I quote you . these prices/ .
		considering ordering on a larger volume/ .			I have fair amount of confidence that . it . possibly could work/ . on er on on this basis/ .
155	HC:	then definitely I can give you a better price/ .			price of <i>D D C</i> at . three thousand/ . for juice/ . two thousand cases for coffee/=
156	AL:	()	173	HC:	=as I said
		so [what	174	AL:	[two thousand cases for to-
		let] me make a suggestion/ . let me make a suggestion/ . er very down to earth/ . a very	175	HC:	there's hardly hardly a]ny . difference from your initial prices/ [I rather you/ . I rather
		er . mutually . I believe er/ . or beneficial . er er settlement on the prices/ . what say			your initial price that I quote is] <i>B</i> for the rest at
		you if we er .. consider/ .. to have . <i>D</i> / . for tomato/ . sauce/ .. at a consideration of	176	AL:	[yah
		two thousand cases/ . right/ . coffee=	177	HC:	a] thousand cases each/=
		= <i>D</i> for donkey/ .	178	AL:	=you're you're only . a a
		yah huh/ . coffee . coffee I'm prepared to: even . pay higher than what we are paying	179	HC:	[<i>B</i> you know/
		now at <i>B</i> er/ I'm prepared to consider at <i>E</i> / . right/ . now er coffee er prepared to take er .	180	AL:	slight difference/] <i>C</i> and <i>B</i> is a . [very slight difference/
		OK er . one .. er let me see/ . er ... one case	181	HC:	no if you if you] if you if you were make a . based on your initial offer and
		()	182	AL:	[I
		two thousand/ . two thousand cases/ .	183	HC:	my] offer/ is a I think is a ideal compromise/ er . a median between our prices/ at
		at what price/ .	184	AL:	my disadvantage because we have to concede . to order more from . [from you/
		()			that's why] I I . I . I should think .
		mm	185	HC:	I think on your [part you should
		()	186	AL:	you order .] you can order less/ .. and give me a better price/
		at <i>D</i> of course/ . because er=	187	HC:	()
		= <i>D</i> also/ .			because I'm quite sure that my products will sell/ .
157	HC:	yes yes/ . er I have to remind you that we: we are currently getting it at two thousand	188	AL:	no the I think the: I think . our price pol- . prices . as er I think I made it . clear to you is
158	AL:	one/ . and I be- er I'm quoting you at these prices with all the . er added/ . usual			.. is very important to us/ because . this product are . very competitive/ and they are . a
159	HC:	promotion that you need to make/ general promotion not not specific to us/ we:: need			huge arrays of similar product on . on the shelf/ . we do not want to . take the extra risk
160	AL:	not . require private labelling/ as such/ . because we believe by by our reputation/ .			of . getting a product at a higher price/ a new product/ put it on the shelf/ . and . at a cost
		products of good quality/ . can easily sell in ours/ . and er for juice er ... consideration			to us in terms of displacing other product which already are selling well/ . so . the space
		of er ... say er . <i>C</i> / . if we're prepared to give you say er .. three thousand cases/ .			store . is limited in the convenience stores/ which . constitute about eighty percent of our
		prepared to order/ . on a three thousand cases basis/ .			sales/ . that that is an important consideration that's why the . I must emphasise that the
		()			

189	HC:	rice must be right/ . in the first place/ . quantity we can vary to your advantage you see/ . [but if you feel that I . I .] I'm not . that I don't want to force you to buy more and you can't sell . or you don't have the shelf space for it/ that's . I in fact want . I would prefer if you order less/ . display it prominently and to see whether give it a trial period to see whether it sells well/ . and if it sells well then you order more/ and if it doesn't don't/ . don't order from us any more/ . I rather . you do it that way/ . and sell it at a price that . that you think . is too high/ . but which I think is . s- reasonable and will sell/ and we give it a trial period/ that that would be the best test/ . for the product/ .	211	HC:	[as I said
			212	AL:	=so that we have] to take into account/=
			213	HC:	=I'm quite sure you can sell at . higher prices/ . you give it a trial period/ you test it/ . if it cannot sell then you don't order from us any[more/
			214	AL:	no no] that that's too much a risk taking/
			215	HC:	[you won't . how much you won't lose/ . you won't be losing Mr Lee/
			216	AL:	the price . must be . (inaudible) . the price must be reasonable] enough for us to consider lah/ . I think .
			217	HC:	I'm sure even at the prices that . I'm giving you you're still making some money maybe less only Mr Lee/ .
			218	AL:	[losses
			219	HC:	let's be] honest let's be honest Mr Lee/ .
			220	AL:	[losses
			221	HC:	I'm sure] you're you'll be making some [money/
			222	AL:	no we're] talking .. losses/ . and opportunity cost/ . cost . that er is way above [what we prepare/
			223	HC:	but think of the] potential gains you can be making/=
			224	AL:	=I don't see any potential gains because the product is er=
			225	HC:	=if you do sell=
			226	AL:	=generic product/
			227	HC:	if you do] sell . if you [do
			228	AL:	yeah] so what if it sells/ the: . even with . with . good sale record as you . quote/ . it . the price margin/ . the profit margin is way below what we can get from other product/ . and we sell smaller volume and and . still make/ . better profit than what . we can from your product/ you see/ .
			229	HC:	as I said if it . sells well I'm going [to
			230	AL:	no] you you you ha- I think . ts- . er we shouldn't debate further on . what the quantity/ . since that is er not what you wanted/
			231	HC:	[let's . let's stick to the original . of the (inaudible)
			232	AL:	but the . the price er . the price has] to be: negotiated again er/ . I . I er am very adamant that er . based on what we have now/ . and based on market er prices/ . the best that I can offer you er/ . is like I've said around . D prices/ . for all the three . [purchase/ D is .] way off/ . way off my prices er/ it won't be even worthwhile . selling to you/ [I can't even cover my distribution cost/
			233	HC:	you mean er . ours is a] reputable store/ now if we . put it . and it sells/ ... er . and bear in mind that yours is a . first time put in our store on a promotional basis/ you you cannot and . charge at the prices greater/ . much higher than what we are offering now/ . and er I must inform you that . at the convenience stores . customers are very . brand loyal . er brand conscious/ and they're loyal to what they're used to/ and yours is a new product/ . [how how how
			234	AL:	no/ . if you] if you check at other supermarkets which are offering our products/ . every body is selling around that price/ . and they're doing well also/ .
			235	HC:	[I think . I think . you are you are speaking on a . no you are speaking on a
			236	AL:	how can . if . you were to . if I were to give you a lower price and you were to sell
			237	HC:	cheaper than other supermarkets] . my other customers will
			190	AL:	now if you there's a . certain margin of er . margin of er ... er .. if there's a reasonable margin of price difference/ with . from the rest then I I I can understand that/ . we may consider/ . but yours is markedly different you know/ so I . I already make er . a very er Mr Lee why don't
			191	HC:	[compromise price already/
			192	AL:	you you try it out/ . you] try it out at my prices to see whether they can sell/ . [and
			193	HC:	I'm] not prepared to do that because the price is [too too high/
			194	AL:	then if . it could] but you're talking about a small amount/ how much . will you lose
			195	HC:	over that small amount/ . if you do not sell . I can assure you when we . we ne- we re- nego]tiate . I will give you
			196	AL:	so what what's your deal/ on a . consign]ment basis/ .
			197	HC:	I will
			198	AL:	[is
			199	HC:	give] you your original prices/ . and give you better credit terms than necessary/ . than your three months/ .. you give it a trial/ period first/ . take a smaller amount/ never mind/ . sell it at my prices/ . if you can't sell/ . don't order from us/ . how much can you lose/ . but/ . if you can sell and you . order more from us the next time round/ . I will give you a better price/ .. better credit terms/ .. what say you Mr Lee/ .
			200	AL:	I'm re- . not prepared to take the risk er/ because=
			201	HC:	=how much [will you lose/
			202	AL:	at the price] that you give me [it .. oh the:
			203	HC:	how much are you lose/ will you] potentially lose at .
			204	AL:	the cost can . consideration is quite high/ because of the hidden cost/ hidden cost in term of . limited shelf space you got to put aside . successful product that sells well and . replace [it with it with new product at a higher price/
			205	HC:	I don't think . I don't] think your you won't be replacing/ you'll be adding to your product range/ .
			206	AL:	no we .
			207	HC:	I don't think be]cause
			208	AL:	it] has [. we have shelf space for other
			209	HC:	you can easily visit . our other . supermarket chains/ and take a look at the . our item whether it is selling well/ you can tell/ if . it wasn't selling well/ . we would not have achieved/ . the brand name . the status that we have now/ . ours is a well-known brand/ it's be]cause we can sell/
			210	AL:	granted/ granted/ . granted if . if the product sells well/ . right the . cost consideration is too high/ we will . in . at the price that we quote . we'll incurring losses/

238	AL:	[yes/	no then if the price is right I'm prepared to accept . accept er . er . at a higher quantity/
239	HC:	come] after me/	OK let's [let's
240	AL:	you're speaking on a general . er . er basis er based on . your . er . your buyer from	my] my consideration is price/ not not [not the quantity/
		different location/ . but I know my business well/ and I know my customer profile/ and	let's . .] OK if price is so important to you/ . I give you the price you want/ . your your
		I know . at what price . you can sell/ . so . if you are unable to . offer at the right price .	contract length has to be much longer/ . you have to sign a . . five year contract with us/
		which I say the highest will be around . a D/ .	to order from us/ .
241	HC:	D is hardly any different from your B/ I have gone up from . I to G already which is .	that is not er . current market practice around/ . [there is . in such
242	AL:	I've come [down from B you know/	because if you're so] sure that at that price it will sell/ . so what's wrong with=
243	HC:	much more substantial than your B [D	=no/ I'm just . bringing the price to a reasonable level in . [competitive in
244	AL:	no] I think it's a cost condition er it's not a matter of . er . how well we compromise/	which you think will] sell/ whi- which you think [will sell/
		probably you have started on a . on a higher side and you . you probably need to lower	yes/ yes] yes yes yes=
		your price . to . be on par with what the market has to offer/=	=so it will sell what's wrong with . [what's wrong with . what . what's wrong with
245	HC:	that is what I'm offering my present customers now I'm telling you the truth Mr Lee/	sell . not only at sell . not only sell . but also to . to have] a decent . profit margin for us/
		you can check with them if you do not believe me/ . those are the prices/ if I give you	yah OK can sell/ have a decent margin/ so what's wrong with having a long term .
		too low my other customers are going to come after me/ they say what what what makes	contract with us/
		your . [Peninsula Supermarket so special/	()
246	AL:	[that that is . that that that] . er that's ... that's is er . your your your your . part of the	long term contract/
		problem with your own pricing and your own cost/ . now . I'm working on a very	yah/ . [that means
		reasonable basis that . prices should not deviate from . the existing market prices/ .	not not] to the extent of . five years/ that is a long way the the the product may run
247	HC:	charged by other suppliers/ . and . I believe yours is er . could not [(inaudible)	absolute/ (sic) . these are: as you know very competitive products/ and product come in .
248	AL:	these are differentiated products Mr Lee/ they are [(inaudible) how can you compare	and our current practice/ . is . we have contract up to a year basis/ . now at your price at
		tomato sauce/ coffee] and juices how how differentiated can they be/ [even if it's	you offer/ I'm re- prepared to give you . the longest than a two . two year basis/
		differentiated	because we would . not know what . new product will come in the market place/ and
249	HC:	you'll be surprised now a] days . I can give you examples of . [quality goods/	this will be . totally er displaced/
250	AL:	no at your price] that you charge ah/ . the current tomato sauce . that we have ah and it's	don't worry/ as I said/ our products can be specially packaged to your needs/ if you feel
		very very well accepted it's one dollar/ now if we were to er . er accept your at	this . this product is the in thing now/ we will specially make it/ if you think [green
		your price/ we will be selling at er . one seventy one eighty/ it's a mark difference of .	green colours product is the
251	HC:	seventy eighty cent equivalent to . er [seventy percent	but we are we are now discussing for this] . we are now discussing for this particular
252	AL:	look/ . take take] . for example er=	item/ .
253	HC:	=premium/	yah so you're afraid
		er . toothpaste or even soap/ . there are so many brands in the market/ and so many	particular quality/ . and we are sticking to this negotiation for this particular grade
		different price range/ and yet . each of them . are able to find their target customers/	and er . there won't be changes/ . and if I enter [the (inaudible)
		why Mr Lee' . it's because certain brands have certain attraction to certain customers	so along the way] if you want changes we can give you the changes/ no problem/ . we
		and they people are willing to pay for it/ .	can change . any [kind of tomato sauce colour/ you want you want green colour I'll give
254	AL:	no lah I think er we are wasting time er if . you cannot agree to . price D er/ . which is	you a green colour tomato sauce/
		my er . er bottom offer/ . for the three product I'm not prepared to . to negotiate further/	no lah y- you will you will tie . you will tie yourself up . for too long a period of time
		.. price D no/ I'll be it's . I'll be making losses at price D/ . you have to give me a better	and it doesn't make business sense/=
255	HC:	figure than that Mr Lee/ . as I said .	=then .
256	AL:	[what's your bottom offer/	[we:
257	HC:	you order a s- .] you order a smaller quantity/ you give it a trial basis/ .	then] how how do you expect me to give you the kind of price you want/ which you
258	AL:	[that makes no difference to me/	think will sell well and . and make you money and yet you don't want to enter in a long
259	HC:	and then if it sells] . and you're prepared to . buy	[term
260	AL:	[no if the price is . / .	no the]
261	HC:	on a (inaudible) then] I will give you a better price/ .	relationship with us/ .
			the: compromise is . two years/ after two years we'll review/ now if product . sells well

289	HC:	we're prepared to . consider . er . on a longer term basis/ now we we all . in in in all our	312	AL:	yah why not it's very] competitive in fact the . there are more suppliers than we can cater
290	AL:	product line we start off .			to/
291	HC:	[on that basis/	313	HC:	()
		you you you] can't be wanting everything your way/ . first you want a price that you	314	AL:	right/ I think it's very reasonable/ . D prices at a two year contract/ .
		think will sell/ you . I give it to you/ . then you want a . a price that will make you . a	315	HC:	if you want your kind of [prices/
292	AL:	profit that is satis- satisfactory . you . that also you want/ and then	316	AL:	then we] can nego[tiat/
293	HC:	[no in fact I I			and your] kind of quantity/ then . you must be willing to enter with a longer term
294	AL:	time period] also you want/ . [I mean	317	HC:	agreement with me/ or else . it's not worth my while/ to do business with you/=
		in fact] when I discuss the price with you I I er have the understanding that . based on .			=not at five years er/ . not at five years you have to: . because er it doesn't make sense
		current market practice . in fact . most item . durable items er . are not on not on			to: for durable product which is [a
		contract basis at all/ . there is just that's the agreement the we on a . to to order from a	318	AL:	our] products have . lasted for twenty thirty years when . you're . [trying to tell me the
		supplier which is reliable which is price competitive/ . now I'm entering a contract with			the the the next year it's going to disappear/
		you two years is making an exception er/ . based on the you [know er	319	HC:	no taste change you see: you you're talking about . you you you're] talking about ta:ste
295	HC:	this . I I er .	320	AL:	coffee: . and juices/ . [new product
		()	321	HC:	this . will] remain for ever in the market/
296	AL:	it it's not the market practice to . to enter into contract for durable goods/ fo:r . a period	322	AL:	[I don't agree quite with you/
		as long as five years/ . so i- i- it doesn't make sense it would be a plunder/ (sic) now	323	HC:	[people will always] drink coffee/ . people will always drink juice/=
		even if the=	324	AL:	=this is not .
297	HC:	=I'm giving you two choices/ . I gave you the initial choice that . don't enter in a long	325	HC:	people will always use tomato [sauce/
		term contract/ . just . try out our goods/ . if you . at our prices/ . if it doesn't sell/ then			this is] not what our experience is about/ . [tomato
		you can . you don't have to order from us/ . right/ . and then I give you the second	326	AL:	you're telling] me there's once upon a time people didn't drink coffee/ . [people have
		alternative at your prices which you think you will sell/ well/ . and you'll make you a lot	327	HC:	been drinking coffee for r umpteen years/
		of money/ . and you still don't want .	328	AL:	no the flavour changes/ the textu:re] and the quality/ now we are sticking to=
298	AL:	no it's not a [matter of	329	HC:	=what I'm saying is if it changes I can give you all the changes you want/ .
299	HC:	then then] you should enter into a longer . term contract/			[no
300	AL:	[no it it			you] want it . black colour I give you black colour/ you want it green colour I give you
301	HC:	and that you] do not agree [also/			green colour/ no problem/ . I will [change it/
302	AL:	it is] not=	330	AL:	no no/ you see the: .
303	HC:	=so both sides . I'm giving you [the two ends and	331	HC:	[I will change . the specifications for you/
304	AL:	no no I think] . I think I make it clear/ it's not a basis of being reasonable/ now we are	332	AL:	no the . there are different costs involved] in other . quantity/ although . you may have .
		talking in a context of business consideration/ the cost factor and . what is . the best			coffee as your general product/ . [now I I I'm ordering now a specific
		bargain that we can have from the market/ . now . the price that I quote to you is not an	333	HC:	don't worry/ I will . we will we can stick] to our previous prices/ and I can give you .
		unreasonable price/ in fact I make a compromises/ . and base on . what we . what the			any kind of specifications you want/
		offer from other suppliers/ . which is always on a non-binding . er suppl- . er non-			()
		binding contract/ . er . basis/ . I'm willing to even . give you a two year contract/ . so I			you know
		think er=	334	AL:	[no you:
305	HC:	=how can your other suppliers be non-binding/ I'm sure all your	335	HC:	you want] green colour I'll make you green colour/ you want white colour I'll make you
306	AL:	[for durable goods no no no			white colour/ . no problem/ .
307	HC:	suppliers have some form of agreement] with you/ .	336	AL:	we we are: . stale mate at the credit er/ . I think er . I'm incurring . er very high . risk/ . in
308	AL:	not not .			entering such a long contract/ .
309	HC:	[or else you can	337	HC:	but
310	AL:	when they are] . with a reputable and=	338	AL:	[I'm prepared er
311	HC:	=if not/ don't tell me your . suppliers one day you tell them I'm feel like ordering/ next	339	HC:	those are your] prices that you think they're are
		week I don't want to order/ I don't feel like [ordering from you/	340	AL:	[yes yes . even at this price
			341	HC:	going to sell/ so if they're going to] sell what's your worry/

342	AL:	no no/ it's not	348	AL:	no lah/ , er , see if , you are stating four months credit terms/ , at a , at a , lesser contract period if I'm willing to accept lower prices lah/
343	HC:	[now you're not using my prices you're using your prices/	369	HC:	yah/ ,
344	AL:	er that I worry/ , I committed , no when I committed to you at this er contract/ , and I when I , and if they are , there hidden , cost involve/ in such , such as er if , better products come in I will be , unable/ , to replace them and I have to continue purchase er , this , er product from you/ , so , [(inaudible)	370	AL:	what is your ,
345	HC:	why do you worry if/ , they can still sell/ , if the products can still sell why will you want to replace them/ if	371	HC:	[lower prices/
346	AL:	[no we we	372	AL:	contract period/ your your , ai higher prices right/=
347	HC:	new product/ come in , you just add them on [to your	373	HC:	=ah higher prices/ ,
348	AL:	no it's not as simple as you say/ the convenience store the space are limited/ so , I have , my cost problem/ , er in term of shelving the best product er at any one time in order to meet er our profit/ requirement/ , er what say you if , I make my last offer/ , three years/ three years contract is the longest that I can consider/ , five years is , is really is too long/ , er which I dare not even , think about/ , three year is the best that I can , can offer/ three years but ,	374	AL:	what's your contract , price/ two years/ , [three years/
349	HC:	three [years contract/	375	HC:	you , mention three years/ , five years we come down to three years/ a lot of difference you know/ , Mr Lee/=
350	AL:	you mean three] years then you got to give me , price E er/	376	AL:	=m-hmm/
351	HC:	()	377	HC:	you're talking about two whole years you know/ ,
352	AL:	I thought we agreed at price D/ , [what's wrong with the , present situation/	378	AL:	three years/
353	HC:	price D is for five years/ , five years/ , how can you change the contract term and then , nothing else changes/ doesn't make sense right/ ,	379	HC:	two whole years is at least , you'll be ordering at least a hundred thousand cases man/ ,
354	AL:	no I'm , saying I already compromise/	380	AL:	what about this ah/ , ... three years contract/ , four months credit/ , price , juice E/ , coffee E/ , tomato D lah/ ,
355	HC:	I give you , I give you , more than your three months credit terms OK/ usually you're getting three , three months right/ ,	381	HC:	everything E lah Mr Lee/ , I mean ,
356	AL:	how many credit terms you're [giving	382	AL:	no no I er , I have a , cost figure here it has to balance the , because ... the price is , , markedly er the cost condition is very high for , for tomato sauce/ , er , er , and , for , for my own reasons ah/ I , you know , I have to , can only compromise on D E E lah/
357	HC:	[I'll give you: four months/ okáy/ , four months credit terms/ , , four months is a very long time you know/ Mr Lee/ , you a lot of things/ , you can: use your money and roll over you know/ , you got four months/ ,	383	HC:	()
358	AL:	four months/ , , at price D lah/ ,	384	AL:	no no that's , I've given so many things/ , given in to you
359	HC:	how can be (laughs) are you sure/ ,	385	HC:	[price is very , important you see/
360	AL:	no no no	386	AL:	(inaudible) I've give you new credit/ , I've , I've moved so much higher from my price I/ you have only gone down a bit from your price B/ [I've gone so far up from price I/
361	HC:	[(inaudible)	387	HC:	no I already mention/ is not matter of/ , what seems reasonable in in in a compromise/ I'm , st-still , emphasising that/ , price must be competitive at the market price/ if not I , it will not sell you see/ , and I'm entering [into contract with you/
362	AL:	we are we are] we still I think the price is important/ we are now still at price B/ , okáy/ , now er then er=	388	AL:	I'm assuring ,] if your I've mentioned so many times if you're afraid it won't sell why don't you take it on a trial basis first/ ,
363	HC:	=price D was your original [one what/	389	HC:	no er that that's not our , practice/=
364	AL:	yes yes/ price D at at you quoted at a five five years contract lah/ , er price D provided I , I er agree at five year contract/ but er which I: don't quite agree lah at five years/ , then you're saying that=	390	AL:	=I'm giving you so many alternative routes but you seem to be: narrow minded/ you're only sticking to: one: avenue of thought/ and the price and nothing else/ , you must take into consideration other factors/ your credit terms/ your contract length/ your type , of products/ , specifications/ , you have to
365	HC:	=so if you take a shorter period surely my price has to be better what/ how can be the same/ , price D an- at five years then three years also price D/ , so now you want a shorter contract period then your price must be slightly in my favour what/ , how can it be the same price/ , right it has to be slightly in my favour right/ , [(inaudible)	391	HC:	[D: , D:
366	AL:	you are quoting at price E lah/ ,	392	AL:	take other things into hand] Mr Lee/ you cannot just think about price and nothing else/ , right/ ,
367	HC:	yah/ slightly in my favour price E lah/ so now I give you better credit terms/ ,	393	HC:	[D: because] the other factors=
			394	AL:	=D in fact is the: in fact I is on the
			395	HC:	[the other factors also
			396	AL:	is the: bottom] price that I offer you know/ but the thing is that you want five years you see/ and that's , that's the problem now it , now , if you were to reduce , the contract to

397	HC:	three years/ . and you are asking for a higher price/ . er . reducing er price . increasing	423	HC:	guaranteed the revenue it is to you/ . [it's no small amount/
398	AL:	the price to E er for coffee and . juice er/ will more than compensate for your just	424	AL:	it's also guaranteed sales] to you:/
399	HC:	shortening of contract by two years you know/ .	425	HC:	no what if . what if we can't sell/ you see I'm er incurring on a :=
400	AL:	shortening of contract and credit also:/ .	426	AL:	=so why don't you take it on a trial basis fir:st/ .
401	HC:	you've for[gotten credit:/	427	HC:	no it it's e:r it's [not . not er
402	AL:	that credit make no di- er mark er			then you can test whether] it can sell/ . as I said . I'll show you sales figures here our
403	HC:	[how can it make no dif-			sales figures for other supermarkets/ . that are also selling ou:r food/
404	AL:	(inaudible)] the now is three months for all suppliers and . [without contract/			()
405	HC:	if I give you four months] isn't it . isn't it a longer period/ . Mr Lee	428	AL:	see/ . there's only a up . upward trend/ .
		[no no			no I'm dealing when you come to a negotiation you have certain lea way/ ah ah if you
406	AL:	one month] you know/ you what you can do with the money if you invest it/ . the	429	HC:	were to stick adamantly (sic) er to five years then it's very difficult you see
		returns you can possibly get/=	430	AL:	[now I'm giving you your three years/
407	HC:	=hmm . no it's our own internal cash flow:/ . situation/ er . in fact [we now . we do not			how . you you must understand] I'm not the: top man/ I still have to go back and
		we do not want to bargain for	431	HC:	convince the boss/ . to even . consider [our (inaudible)
408	AL:	ya h/ . the amount you make I think will] more than enough cover your profit/ we give	432	AL:	I'm sure] your boss will accept a such a . agree[ment/
409	HC:	you a [discount/	433	HC:	I] I already foresee difficulty you [see
410	AL:	we do not want] to bargain for the: additional month/ [and three months	434	AL:	is] is . beneficial to your company/ .
		OK if you] don't want the extra credit then you give me a better price lah/ .	435	HC:	not when it's a new product/ . not when [it's . priced . higher than
		three months/ three months is more than adequate you see/ so it does not make much			it's not new/ it's it's well-kno:wn/ it's well]-known/ . it's been a it's an [established
		difference to us/ our cash flow our cash management is based on three month er credit	436	AL:	product/
		flow from all our suppliers/ . so:: even if you offer at four month er with you/ . i-i-it's no	437	HC:	yah yah well-known in a] . not at . in our stores/ and: [it's very
		incentive to us ah/ . the:			it's thoughtout] the whole country: how can you say it throughout everybody has heard
411	HC:	how can that be:/ Mr [Lee:/	438	AL:	of it I'm sure even you have taken our tomato juice/ coffee and: . orange juice/ . I'm sure
412	AL:	at price D] ah/ .	439	HC:	you have some in your house also/
413	HC:	go home and check your accountant/ (laughs) I'm sure .	440	AL:	D er/ my . D price/ . at a: slightly . lesser contract period/ .. [which is
414	AL:	[at price	441	HC:	D is]
415	HC:	anybody] give you a longer [credit period			which you want at five years/ ()
416	AL:	no no seriously] you			E er Mr Lee/ let's be let's be fair lah/ once and for all let's settle this lah/ . we can . go for
417	HC:	there'll be an advantage] how can there not be an advantage/	442	AL:	a [drink/
418	AL:	I I have to work ..] work er . er at price D you know for three products/ but er the the			how how] do you go about your your your your . your thing at the you you have
		you you have insisted on a five year contract/ . are you prepared ah/ . if I were to say er			agreed at D but at er five years lah/ which I don't agree lah/ maybe you could . say
		. it's a near impossibility for me to . to accept at five year/ but are you prepared to			reduce lah/ . reduce e:r
		reduce . say by one year/ .			()
419	HC:	Mr Lee Mr Lee/ . what say you you accept . my price:s/ . and . ts:k . there could be a	443	HC:	reduce
420	AL:	certain share for you/ .	444	AL:	come Mr Lee
		()	445	HC:	[to . to three years lah/
		[don't try to bribe me/	446	AL:	let's let's settle] it at E and we'll go for a drink after this/=
421	HC:	it be something be] worth worth your while/ .			=what E/ E was never our price ah/
422	AL:	no I'm still at D/ . okay we we are in serious business/ we're still at D/ . I'm . prepared	447	HC:	()
		lah . to: take the: plunge ah/ . four years is the . the most I can give you for our	448	AL:	[(inaudible muttering)
		agreement/ .. know I-I'm I'm committing e:r a fixed order you know of a thousand	449	HC:	from D/ . where] we have a five year contract/ . that which which you have er=
		cases/ . er . each month/ . for five years/ that is a: huge business deal that you are	450	AL:	=E with better credit terms ah/ .
		clenching/ (sic) . you must er for four years/ you you just . consider how much .	451	HC:	it's only one month extra lah/ from one [(inaudible)
					ai it's a lot of difference] Mr Lee you're talking about . hundreds of thousands of in the
					millions of dollars you know/ .

- 452 AL: you are talking at price *E* for four . four months/ . credit term/
 453 HC: [yah
 454 AL: on] a three year contract basis/
 455 HC: yes/
 ()
 let's come
 456 AL: [your offer is
 457 HC: to a . let's come to a] tentative agreement [er/
 458 AL: your] other offer . er just I just recap é/ your I your first is *E* price for three product/
 thousand cases a month/ . four month credit at three years/ . contract/ . or alternatively/
D price/ . for the three product/ . at five years contract/ .
 ()
 459 HC: yah/
 460 AL: with . credit/ . [terms of three months/
 461 HC: credit . credit] doesn't come in/
 462 AL: [hah/
 463 HC: credit] is three normal/
 464 AL: [normal
 465 HC: normal] normal/
 ()
 what say you Mr Lee/
 ()
 466 AL: the: prices that you quote includes . er the . includes the general promotion that you
 467 HC: do/ . on the continual basis ah/
 yes yes yes/ when we always come up with new promotional ideas/ we will be assisting
 your store in promoting it/
 quality of goods will be ..
 [let's
 468 AL: com]parable lah/ if not better than what . we have/
 469 HC: it's the best in the market Mr Lee let me assure you/ . you don't have to worry about
 470 AL: that/ any: . spoilt goods you can return [to us/
 471 HC: alright] alright then I I agree to . your price of *D* for five years ah/
 472 AL: ()
 okay/
 ()
 473 HC: m-hmm/ .. okay/ it's been a pleasure doing business with you/ .
 474 AL: yah/ ee same/

3BS

RP2/BB/AL

- 1 BB: well/ , good morning/ , it's a pleasure meeting you/ .
- 2 AL: morning/ .
- 3 BB: my name is er Bob Brown/ , I'm the area sales representative for National Foods/ .
- 4 AL: yah [okay thank you/
- 5 BB: so: if I can just] give you my card please/ .
- 6 AL: m-hmm/ .
- 7 BB: and , I'm aware , from er , the earlier discussions/ , between your staff and mine/ , that indeed you have a potential interest , in doing business with us/ , in respect of , chilli sauce/ , tinned sardines/ , and tea bags/ .
- 8 AL: that's right that's right/ , in in fact er , we are not just considering three items er if , it can get er , er negotiate a good deal/ we may even , look further into other products as well/
- 9 BB: excellent/ , that's what we like to hear/ because in fact , we cover a hundred and twenty-nine , different products/
- 10 AL: [m-hmm/
- 11 BB: within] our company/ , and whilst , all of them , are not of particular interest perhaps to the Singaporean market/ , I'm sure we do have other products that we can interest you in/ .
- 12 AL: [mm
- 13 BB: if] indeed we're able to gain your confidence , with the particular order in question/ , perhaps I could just tell you a little bit about our company/
- 14 AL: m-hmm/
- 15 BB: we are: , indeed a subsidiary here , of a United Kingdom , parent company/ , but , from Singapore we do cover , the: er south-east Asian market/ , and in fact , our responsibility goes , as far as Tokyo/ , and down to Australia and New Zealand/ , and we do have er a fair amount of , responsibility here for our own decisions/ , and I hope that , if we are able to work with one another/ , you'll find that we can give you speedy decisions/ , without the usual red tape/
- 16 AL: [m-hmm/
- 17 BB: that's] required/ , if we have to go back to Britain/
- 18 AL: [m-hmm/
- 19 BB: to:] , seek , their permission , to do what we want to do/ , we: er , are a well known] name here in Singapore/ , we do provide er , our lines/ , to: many of the: supermarkets/ , and indeed to the: er , the chains , of smaller stores/ , here on the island/ , and , at this stage/ , before we: er actually talk about , the products in question/ , do you have any particular questions you want to put to me/ , concerning our name/ back ground reputation etcetera/ ..
- 20 AL: I think er I'm aware that the er National Food er has been er in Singapore for quite some time/ , er , perhaps er I would like to to tell you er about our , market chains/ ,
- 22 AL:

- 23 BB: and er what er we are looking for in our product/ , and how we conduct our business/ , er essentially er , Peninsula Supermart/ which I represent/ is er also a very successful , er supermart/ , we have a total of , eleven outlets/
- 24 AL: m-hmm/ .
- 25 BB: three of which are the er in the er , medium size stores/ .
- 26 AL: m-hmm/
- 27 BB: and we have er , eight , convenience stores/ .
- 28 AL: m-hmm/
- 29 BB: and the locations of , these stores for convenience store is situated in the er lower income/ , to the middle income/ . [er group/
- 30 AL: m-hmm/]
- 31 BB: er group er populace/ , and er middle store are , located in the area where people are , er generally having er , from middle to high income/ .
- 32 AL: m-hmm/
- 33 BB: so er , our product mix/ , must suit , the store locations/
- 34 AL: m-hmm/ .
- 35 BB: and er in particular our , product policy is , we look for good pricing/ .
- 36 AL: m-hmm/
- 37 BB: price is very important/ , and also the quality of product/
- 38 AL: m-hmm/ .
- 39 BB: mm so er: the three product that er , we intend to purchase/ , from your company er we have to discuss/ , this two particular [factor/
- 40 AL: sure] , well thank you for that er appreciation of your organization/ I must admit , because we hadn't done business with you before/
- 41 BB: [yes/ , that's it/
- 42 AL: I did er ,] I did take time out last weekend and er , spend time in your Clementi store/ ,
- 43 BB: m-hmm/ .
- 44 AL: I did walk around and er , please forgive me if you think it's patronising but I was very impressed/ , with the appearance of the store/ , and the smartness of the staff/ , and indeed er , their attitudes/ , towards the patrons/ , I obviously took time out to have a look at the: products/ , that you're selling/ .
- 45 BB: m-hmm/ .
- 46 AL: and I was particularly keen to , have a look at , the named brands/ , and the sort of selling prices/ .
- 47 BB: m-hmm/
- 48 AL: that you were seeking/ , and I would suspect/ , from what I saw/ , that you're a very efficient and very profitable organization/ .
- 49 BB: er , I couldn't disagree with you on that/ [(laughs)
- 50 AL: mm] good/ , now/ , let me , come on and tell you , a little more about the , the three products/ , that
- 51 BB: m-hmm/
- 52 AL: we seek to sell to you today/ ... now/ ... interestingly we have a , a good blend here/ , in the sense of chilli sauce/ , tea/
- 53 BB: [m-hmm/
- AL: and] sardines/ , because I recognise/ , that , through your stores/ , you're obviously selling/ , a large amount to this particu- of these particular products/ .

54	AL:	[mhm/	79	BB:	three ninty-five/ these are our tea bags/ specifically: a line that we've developed
55	BB:	and]/ what I'm anxious to try and do today if I may/ is to say to you Mr Lee that	80	AL:	ourselves/ we clearly take tea essentially from m er India/
56	AL:	while we recognise you're interested in one thousand cases only at this stage/	81	BB:	m-hmm/
57	BB:	let me tell you a little bit about the products/ and perhaps what we can do for you in			from Sri Lanka/ we blend it here/ we've tried to produce as far as we are able/ a
58	AL:	terms of larger repeat orders/	82	AL:	tea blend that is not too large in tea leaf size nor powdery/ the covering of the
59	BB:	first and foremost/ the: chilli sauce/ we've conducted/ our own/ Singaporean/ test	83	BB:	tea bags is a fine paper texture/
		marketing/ and we're very much aware of the type of product/ that people most			m-hmm/=
		prefer/ and of course in this regard/ we're aware that the taste has to be right/ the			=but it does not permit the consumer to actually see the tea leaves/ until in fact the
		colour has to be right/ and we have to be conscious/ increasingly these days/ on			tea bag has been immersed in boiling water/ and only then of course can one judge
		the position of additives/			the quality of the tea itself/ this is not in any sense an attempt on our part/ to cover
60	AL:	m-hmm/	84	AL:	the quality of the tea/ it's just that we found that we can use slightly less tea/
61	BB:	now/ I happen to have brought with me/ I can show you/ the remains of the chilli	85	BB:	in the bag/ if it is of a slightly finer/
		sauce/ ..			m-hmm/
62	AL:	[m-hmm/			tea leaf size/ and it allows the boiling water to bring out a stronger cup of tea/ than
63	BB:	it ought] to be a full bottle/ but I must admit we ran out last night at home and my	86	AL:	would be the case if we used a slightly larger tea leaf/ again distinctive package/
		family have managed to consume nearly all of it/			this is the er new brand/ I wonder if you have er done any er this er survey or feed
64	AL:	m-hmm m-hmm/=	87	BB:	back on how the market will respond to this new product/
65	BB:	=which at least I think demonstrates it's a very popular product/			yes/ while it's a new product in Singapore/ we've been using the identical brand and
66	AL:	mm/			make up/ of the bags/ in Malaysia/ and Indonesia for quite some time/ it's been
67	BB:	with the Brown household/ but you can see it has a nice orangey colour/			particularly popular down there because as you'll appreciate/ the price that we've
68	AL:	m-hmm/			actually put on here for your consumption/ which incidentally reflects the type of
69	BB:	you will see from the: consistency/ it's a nice firm/ consistency/ we've found that er	88	AL:	price that you're charging in your supermarkets/ does offer you a very
		people really are not very fond/ of the watery sauces/	89	BB:	considerable profit margin/ we have actually conducted test tastings/
70	AL:	mm/			m-hmm/=
71	BB:	and I've also taken the liberty/ of producing/ on our own printing: works/ a label			=both in supermarkets in Clementi/ down in Orchard Road/ and we've also
		which demonstrates/ your own company name/ the logo/ and of course on the back	90	AL:	actually conducted tea tastings/ in three major Singaporean hotels/
		you'll see the contents/	91	BB:	m-hmm m-hmm/
72	AL:	m-hmm/			and we have to tell that this is a well accepted product/ both by the expatriate
73	BB:	now interestingly/ we have repeated it not only in the English language/ but we			community/ and the local community/
		have there Indonesian/ we have Malaysian/	92	AL:	m-hmm/ er concerning the er packaging/
74	AL:	m-hmm/	93	BB:	[m-hmm/
75	BB:	recognising of course that it's not all naturally born Singaporeans who will be	94	AL:	the:] er I there are competitive brands/ and to name some Lipstons/ the packaging is
		interested in this particular product/ .. the bottle as you will see is an interesting			such that the er is practical in the sense that instead of er one lump er of tea leaves in
		shape/ it's clear glass/ we believe consumers like to be able to see what they're	95	BB:	one bag/ it's splitted into two parts/
		buying/ and all in all I must admit/ that whilst this is our blend/ and it's very very	96	AL:	m-hmm/=
		popular/ we can if necessary/ consider a slight change in the ingredients/ to	97	BB:	=and that allows for easy er di- er er dissolve er mixture/
		produce a slightly different taste/ if you prefer/	98	AL:	m-hmm/
76	AL:	m-hmm/	99	BB:	and I wonder if this brand does package in this way/
		()			in fact we've considered it/ but we did dismiss it as a packaging er method/ because
77	BB:	in terms of tea bags/ .. a very distinctive	100	AL:	we found the additional cost of production/
		()	101	BB:	m-hmm/
		as an aside I've just noticed that my wife's buying in Tierney's Gourmet Supermarkets			were particularly onerous/ and while I've seen the style you have in mind/ I notice
		these days/ I shall have to reduce the family allowance/ (laughs)	102	AL:	that it does normally retail for about fifty percent more than that particular
78	AL:	(laughs)]	103	BB:	[m-hmm/
			104	AL:	box] there/ and we believe that in relation to tea/

163	BB:	yes/ , obviously it's e.r. a very . important issue/ . one thing I would say/ . the brand that you're currently stocking/ . costs . sixty-three cents/ .	192	AL:	and that will . even require . more space/ .
164	AL:	m-hmm/	193	BB:	m-hmm/
165	BB:	now I recognise . that that's for six ounces/ .	194	AL:	so e.r. I was . I'm thinking e.r if . we were to do it/ . then the e.r . the terms .. or at least the: the deals/ . in term of pricing and the e.r . e.r credit payments e.r . must be . very attractive/
166	AL:	m-hmm/	195	BB:	yah/ . let me tell you about the whole range . of our support services/ . the actual . storage . aspect is only . one prong/ . of our . particular armament/ . we do offer/ . the service to you . of in-store promotions/ . by that I mean . that . we have our . prime . sales lady Miss Lee/ .
167	BB:	our tin contains . five point five ounces/	196	AL:	m-hmm/
168	AL:	m-hmm/	197	BB:	who . can actually . produce . very very good results/ . with just . one other lady assisting her/ . we've found that normally a five day period/ . for a new product/ . on an in-store presentation is sufficient/ . and . whether you were to select . the chilli sauce/ . the tinned sardines/ or the tea bags/ . we can create . with very little . floor space/ . a sales promotion/ . in any of your . stores/ .
169	BB:	but . I've . taken the liberty of pricing this tin/ at sixty cents/ .	198	AL:	m-hmm/
170	AL:	m-hmm/=	199	BB:	we will also . be willing to: . take up fifty percent/ . of the advertising cost/ that you would in fact . become involved in/ . should you run . some more of your newspaper advertisements which I've seen/ . which . tend to be half a page of the Straits Times/ . I've noticed that you select certain products/ . to particularly push/ .
171	BB:	=because I believe . that the . selling price . that I hope to be able to . gain your acceptance/ .	200	AL:	[m-hmm/
172	AL:	[m-hmm/	201	BB:	and] wh-what I would say is . we would be willing to pay fifty percent/ . of five insertions/ in the Strait Times/ of a half page advertisement/ .
173	BB:	there to] will offer you . the same profit/ . compared . to your . current suppliers/ . with this tin of sardines/ .	202	AL:	m-hmm=
174	AL:	m-hmm/	203	BB:	=which . amongst other products/ . included . one/ . or two/ . or three/ . of the particular products we hope to sell to you today/ .
175	BB:	() now/ . before . we: get down to: the actual discussion on price Mr Lee/ . you mentioned shelf space/ .. I don't know if you're aware but . in Jurong . we've actually . obtained . fourteen thousand square metres . of storage space/ .	204	AL:	m-hmm/ . yah e.r this . e.r coming back on the . promotion and advertising/ . e.r beside sardine/ I believe the . the e.r product of the e.r . e.r this tea bag/ . needs a lot of promotions/
176	AL:	m-hmm/	205	BB:	[m-hmm/
177	BB:	of that fourteen thousand . square metres/ . we have . two thousand square metres/ that's actually . refrigerated space/ . and . we believe . that the quality . of our service/ . depends . upon the timely delivery . of our products/ . to the supermarkets in Singapore/ .	206	AL:	and] I wonder if on your part/ . e.r whether you . have . this plan e.r on going plan/ to . promote e.r . the . the tea bags that e.r you going to sell in our store/ in particular in our stores/=
178	AL:	m-hmm/	207	BB:	=m-hmm/ . the . the problem there basically is that if we promote them with your . store name on/ .
179	BB:	certainly if and when we are able to talk about repeat orders/ . and about perhaps orders of more than a thousand cases/ . then . I would want to talk to you about . the desirability . of your . taking part of our space/ . at no cost to yourself/ . no additional cost to yourself/ . and we would actually . store . your contracted . products/ . under our roof/ .	208	AL:	m-hmm/ .
180	AL:	[m-hmm/	209	BB:	we really don't think that the cost of an expensive promotion/ . and by that I'm speaking not just of the in-store promotion/ . but an ad- e.r the newspaper advertising promotion/ . possibly: additional . promotions in hotels/ . we could really only entertain that/ . from e.r . cost . consideration basis/=
181	BB:	and un]dertake to deliver the products/ . to any of your supermarkets/ . within forty-eight hours/ . of your actual order/ .	210	AL:	=m-hmm/
182	AL:	that is e.r only one aspect of s-storage problem/ .	211	BB:	if you were to contemplate taking five thousand cases to start with/ .
183	BB:	m-hmm/	212	AL:	m-hmm/
184	AL:	but e.r I'm talking in terms of . e.r shelf space/ . in our stores/	213	BB:	so what I would seek to do with you is either to . reflect . our . promotional . services/
185	BB:	m-hmm/	214	AL:	m-hmm=
186	AL:	there are many e.r . products/ . so e.r if we were to introduce this product/ . it will be at the expense of other product/ that . we may have to . curtail the space for existing product/ .	215	BB:	=in the price . that we charge/ . or indeed . to reflect the price . over time/ . in respect of
187	BB:	[m-hmm/			
188	AL:	e.r which] e.r already e.r . doing selling quite well/			
189	BB:	m-hmm/			
190	AL:	so: if and furthermore if . such is the new product/ then we got to do . in-store promotions/ .			
191	BB:	m-hmm/			

216	AL:	repeat orders/ m-hmm/	249	BB:	fo:r] . your name only/ .. so it's personalised/ .
217	BB:	moving up into the . five thousand ten thousand case level over time/ .	250	AL:	m-hmm/ . so how would you er how would the cost differ/ . if it's . under . solely
218	AL:	no I was thinking in terms of the er .. general promotion in the media/ .			under your established name and .. if you were to incorporate our name/ .
219	BB:	m-hmm/=	251	BB:	fine/ .. if we take . if we take it from the point of view of .. a no frills service/ .
220	AL:	=not specifically er . to have a joint promotion	252	AL:	m-hmm/ . no frills service yes/ .
221	BB:	[m-hmm/	253	BB:	and . in a sense . no storage/ . no advertising/ . our brand name only/ .
222	AL:	[with] us/ . but er . I would rather like that er . in your general promotion in the press/ .	254	AL:	m-hmm/=
223	BB:	m-hmm/	255	BB:	=no special packaging with your names/ . then . the price . that we would ..
224	AL:	which will also serve your other customer as well/	256	AL:	contemplate/ . first/ . for the chilli sauce/ ... would be . price F/ ...
225	BB:	m-hmm/	257	BB:	price F/ .
226	AL:	that you . er . mentions that such items are: on sale in . in the stores/ that you . [sell to/			for . the . tea/ .. we would be .. looking at .. price G/ . and for the sardines . we would be
227	BB:	sure/]			looking at price G/ .. now clearly . we would have to . entertain .. at least . one letter
228	AL:	so . this being the case/ . then the er . cost on your part will be er spread over . all your	258	AL:	increase/ . in all the prices/ . if we were to give you our gift-edged service/ .
		users [and er			m-hmm/ . but the: .. it seems the: . the prices that you quote/ . er it's a bit on the high
229	BB:	sure/]			side/ .. er . for . in fact for all the three . products/ . er . what we have in mind actually .
230	AL:	and you should not be . factored into the price that you going to charge for			even before the er . er speaking to you is the er . the . management policies .. have a . set
231	BB:	[no/			. budgets to . work on/ . and we are . thinking in terms of . the following er . prices that
232	AL:	goods] sold to us/ .			we .. er . anticipated/ . and this is based on . our . er supply from . the er current batch
233	BB:	that's wholly accepted if we indeed . continue to package in the name of National Foods/	259	BB:	of suppliers that=
		. if indeed you were to seek to ask us to: package in the name of Peninsula	260	AL:	=m-hmm/=
		Supermarkets/ . then it was for Peninsula Supermarkets that I made my commentary/			=provide us with the . this er similar products/ . chilli sauce/ er . we are . contemplating .
		earlier/ .			in the region of er .. the er price of B/ . which is markedly different from er your quoted
234	AL:	[m-hmm/	261	BB:	price of . F/ .
235	BB:	but] we would be: . because . I confess . the tea bags are moving well in Singapore/ .	262	AL:	m-hmm/
236	AL:	m-hmm/	263	BB:	for tea bags/ er . we er .. thinking . in terms of price of er . C/ .
237	BB:	under our own name/ . erm NTUC/ . stores/	264	AL:	m-hmm/
238	AL:	[m-hmm/			u-huh/ . the: .. for sardines/ . er which I mention earlier is a . a very low price product/
239	BB:	[in fact] are er I have to be honest in saying/ . selling . the tea/ . very very well indeed in	265	BB:	and . you can . in er very sel- er . price sensitive/ .
		all their stores/ .	266	AL:	m-hmm/ .
240	AL:	m-hmm/=			and being a new product er you can only . we are . thinking of pri- pricing it . at A/ . so
241	BB:	=and that's common knowledge/ .	267	BB:	er .
242	AL:	[m-hmm/	268	AL:	hmm/=
243	BB:	because] one can see our supplies/ . on their shelves/ . we would be: willing to . er look	269	BB:	=I see a . mark difference in the prices that .
		to . a specific advertising campaign/ . that . not only included . the tea bags/ . but	270	AL:	mm=
		perhaps/ . the other products that we're speaking of today/ . or some of the other .			=you offer er in comparison with . our existing suppliers/ . and er . perhaps er you could
		hundred plus products/ . that we're selling to the supermarkets and the stores here in			er adjust your prices/ . and see how you can meet our requirements er . in terms of
		Singapore/ .	271	BB:	pricing/ .
244	AL:	m-hmm/			mm/ . yes/ regrettably we're very wide off the mark aren't we/ you . just to pick up on
245	BB:	and indeed . clearly . that . would . in my view . have to include . the name of Peninsula	272	AL:	comment you made about sardine/ erm .
		Supermarkets/ . NTUC/ .	273	BB:	m-hmm/
246	AL:	[hmm/	274	AL:	you mentioned it was a new product/ .
247	BB:	Supermarkets etc/era/ . but we can . if you wish/ . contemplate your name/ . on our	275	BB:	m-hmm/=
		product/ . and an advertising campaign/ as I . mentioned earlier/ . where we share . [the	276	AL:	=and certainly . the packaging/ . that we were to offer you here . is a new product/ .
		cost/ .	277	BB:	m-hmm/
248	AL:	the advertisement/ yeah/ . m-hmm [m-hmm/	278	AL:	but . basically the sardine has been around for fifty million years/ .

279	BB:	and I don't necessarily think/ that sardines would be . such a problem for you in relation to . consumer acceptability/ as being something brand new/ a brand new food a brand new taste/ .	301	BB:	that the sardine is probably .
280	AL:	m-hmm/	302	AL:	m-hmm/=
281	BB:	what we're trying to offer . is a better quality sardine/ . in a better package/ . than perhaps the: er . some of the flat . er Thailand sardines/ . that . packed flat/ . in e:r the: oily/ . tomato/ sauce/ type/ juice/ . which . frankly I don't like very much/ . and which I suspect/ . if . your . customers/ were to choose/ . this particular brand/ . for the first time round/ . acknowledging that . as I assumed earlier/ that . on the price levels that I'd seen in your stores/ .	303	BB:	=the: product which would be easiest . to hold in terms of in-store promotions/ .
282	AL:	[m-hmm/	304	AL:	[m-hmm/
283	BB:	I believe that you would be able to sell that product/ . at . sixty cents/ . and still make a very very satisfactory profit/ .	305	BB:	because] . clearly the sardine on a little square of toast or on a: . a small biscuit/ .
284	AL:	() the er . the existing . sardine/ canned food/ er that we sell/ . er . prices . is . slightly lower/ .	306	AL:	m-hmm/=
285	BB:	m-hmm/	307	BB:	=would be: . most acceptable I'm sure to shoppers/ .
286	AL:	and it's a proven er . er product/ .	308	AL:	m-hmm/=
287	BB:	m-hmm/	309	BB:	=and therefore the sardine/ . would be . the product . that we could . influence your customers/ . to buy the most readily/ .
288	AL:	liked by all customers/ .	310	AL:	m-hmm/ the: earlier price of tea that you quote is a no: frill . [price/ .
289	BB:	m-hmm/	311	BB:	[m-hmm/
290	AL:	and er . you have mentioned that er . . you have come up with a pretty good . quality/ . but the . the problem is the . it's not been tested/ so . I run the risk of . putting in this product in and .. taking up s-space/ . store space/ er shelf space/ . and this . will in fact have hidden cost to me/	312	AL:	[m-hmm/
291	BB:	[m-hmm/	313	BB:	erm]
292	AL:	in the sense] that I will be displacing . er proven done product/ . by substituting er this n- new product in/ . so . I stress again/ in particular this sardine product/ that er . er . the essential requirement is we have . er decided . that all along . to stick to . closely to existing . prices/ . that . an established . brand product/ . that supplier have given to us/ .	314	AL:	no frill means you're you are not incurring any . cost in promotions or=
293	BB:	m-hmm/	315	BB:	=that's right/ .
294	AL:	so . er obviously there is . a lot of deviations/ . in the prices that we . can come to/ . perhaps you could you work out . you know . a . a better pricing/ e:r . for for our consideration/ . . and sardine being the major er turnover product for our company/ [at least/	316	AL:	things like that/=
295	BB:	m-hmm/ .	317	BB:	=that's right/
296	AL:	er fast moving and . and it would be a . a vital factor for us to consider/ . in terms of . the type of price you can offer us/=	318	AL:	and if such is the er . er . the . such is er . practice/ then . I afraid the . er . the price is not competitive enough . for us to . to work on/ .
297	BB:	() well I have to be honest with you and tell you that . certainly we would be a taking monumental loss/ . if we were to sell the sardines to you at price A/ .	319	BB:	mm/
298	AL:	m-hmm/=	320	AL:	so may be you could e:r . make adjustment er . to your price and see . how we can work out a a . . a better price/ .
299	BB:	=the: the thought that does readily come to mind of course is that of the three products that we seek to sell/ .	321	BB:	hmm/ .
300	AL:	m-hmm/	322	AL:	er . I: quite agree that er . yours is a reputable er . food . er manu[facturer/
			323	BB:	m-hmm/] . [m-hmm/
			324	AL:	er agent/] . so by your name we could sell/ . but er . on our part er we er . concern with the . cost . of purchase from you/
			325	BB:	yes/ .
			326	AL:	so: if we would . be able to if you work a better price then . then e:r . we can talk about . the other two products/ er if . if sardines e:r . we are unable to come to agreement then . then it . . and also bearing in mind that the other prices also differs/ e:r . it's hard for me er to . to even er . convince the . er top management that
			327	BB:	[m-hmm/
			328	AL:	we] . should engage in: in such a . a- a- arrangement to . confirm you as our future supplier/ .
			329	BB:	m-hmm/
			330	AL:	m-hmm/
			331	BB:	well look I have discretion to: . adjust the . my prices within reason/ .
			332	AL:	m-hmm/=
			333	BB:	=but . I would be: er . in: great difficulties with . my head office in London/ . if I was to indeed accept . er a price . which . ostensibly created a loss/=
			334	AL:	m-hmm/
			335	BB:	that regretably I could not do/ . but . perhaps what we can do here is . contemplate . some . . rationality between the three prices/ .
			336	AL:	m-hmm m-hmm/=

337	BB:	=so that, whilst... I couldn't possibly, let sardines go for less than B/.	368	AL:	e:r], absorb this this bit of cost/, e:r. and for chilli sauce/, er, we are willing to come down to, C/.
338	AL:	m-hmm/	369	BB:	[mmm/
339	BB:	and basically B would, barely cover my costs/.	370	AL:	and er], all this e:r transaction we are talking in terms of, one thousand/.
340	AL:	m-hmm m-hmm/	371	BB:	m-hmm/
341	BB:	I could, contemplate sardines at B/, if you were willing to entertain, the chilli sauce, going to price G/..	372	AL:	[e:r
342	AL:	m-hmm/	373	BB:	cases/].
343	BB:	and, I think I would also have to ask, for the tea to go to price H/..	374	AL:	cases/.
344	AL:	m-hmm/	375	BB:	m-hmm/
345	BB:	how does that proposition, sound to you Mr Lee/	376	AL:	e:r, if you wou-would consider the prices I've just quote/, I'm prepared to take er, more cases/, and, I'm quite sure, er, at these prices that I bought from you/, and with, our both reputable names/, on the product/ that we, can have er, repeated er, business/, in future even on a: longer term basis/.
346	AL:	()	377	BB:	that obviously is what I'm anxious to try and develop between us/.
347	AL:	you: er just repeat what you've just said/ er if,	378	AL:	m-hmm m-hmm/=
348	BB:	[yah/	379	BB:	=e:r it would be very nice if we
349	AL:	if you] were to offer, price B for sardines/	380	AL:	[m-hmm/
350	BB:	yes/.	381	BB:	are] able to, come to a mutually acceptable
351	AL:	[then	382	AL:	m-hmm/
352	BB:	and] I would, [look	383	BB:	prices here today/.
353	AL:	you] have to adjust the price of tea bags to H/.	384	AL:	m-hmm/
354	BB:	yes/.	385	BB:	with a view to perhaps extending, our experience with one another/.
355	AL:	and the price of chilli sauce to G/	386	AL:	m-hmm/
356	BB:	correct/.	387	BB:	however the:.. the:.. undeniable fact is that, that those prices/, I couldn't, produce, an acceptable, profit/.
	AL:	e:r	388	AL:	not
	()	I have my cost figure here/ e:r... the:	389	BB:	[overa:ll
	()	I wouldn't agree that er.. if you were to, to er, lower the price of sardine that you, would compensate it by, by er.. increasing the price of the other two product/ er bearing in mind that, foremost important in our, purchase price is, the price sensitivity of the, this product/, now [you	390	AL:	even not] even on a: larger bulk purchase/, more than a thousand/.
357	BB:	m-hmm/	391	BB:	well/, if you're speaking of, our providing, labels/ with your name/, on all three/, I think, we'd have to, look at a: higher/, considerably higher price/.
358	AL:	you were to, increase the price of the other two product/, and so much so that we, in order to make a certain margin/ we have also to increase the, product/ then, if consumers don't buy then there is in fact no point at all to even consider buying.	392	AL:	m-hmm/
359	BB:	[yes/	393	BB:	than that which you're currently willing to offer/.
360	AL:	put[ing the product	394	AL:	[m-hmm/
361	BB:	[yes/	395	BB:	but if] you're, talking about taking our branded products/.
362	AL:	on] the shelf/, so there is in fact er, a limit to the, price that we, can sell at the market place/=	396	AL:	m-hmm m-hmm/
363	BB:	=m-hmm m-hmm/=	397	BB:	and if you're talking in the order of, five thousand cases/.
364	AL:	this being so the er, the two price, as, according to our own assessment/ and the cost that, we incur/, I would, I'm prepared er, if you were to er, provide sardine, at price B/, to, purchase the er, tea bags/, for a consideration of, at price er, say e:r.. er E/ and our er in fact our, my original offer was at price C/.	398	AL:	m-hmm/
	BB:	correct/.	399	BB:	then.. perhaps we can, find some common ground between us/.
365	BB:	so that is a, er, I would think we could er,	400	AL:	m-hmm/
366	AL:	[m-hmm/	401	BB:	I, I sense that the: sardines, are the: item/, which, you're most anxious,
367	BB:		402	AL:	m-hmm/
			403	BB:	to maintain at price B/.
			404	AL:	m-hmm/...
			405	BB:	if I were to: concede, sardines as a loss leader/.
			406	AL:	m-hmm/
			407	BB:	I couldn't, in all conscience, drop below, F/, on the chilli sauce/.. and indeed.. F/, on

408	AL:	the tea/..	441	BB:	mm . that . that's my problem because of course the: sardines . by: quoting price B .
		m-hmm/	442	AL:	m-hmm/
		()	443	BB:	I'm basically taking a loss/ .
409	BB:	F/ . so the price FFB is your . counter offer/ . for . a purchase of .	444	AL:	[m-hmm/
410	AL:	five thousand cases/ .	445	BB:	and] the only way I can: make up . that loss/ . is to: seek . to achieve a reasonable price/
411	BB:	five thousand cases/ .			yes/
		()	446	AL:	m-hmm/
		I would . within that price/ . be very willing to offer you our . storage facility/ .	447	BB:	for . sauce and the tea/ .
412	AL:	m-hmm/	448	AL:	m-hmm/
413	BB:	just to recap/ one thousand cases delivered/ . four thousand cases/ . [held	449	BB:	and therefore if you were to: contemplate only five thousand cases of sardines/ . and a
414	AL:	mm] . [m-hmm/			thousand cases of the other two products/=
415	BB:	guaranteed] as held .	450	AL:	=m-hmm m-hmm/=
416	AL:	[m-hmm/	451	BB:	=then I'm really . magnifying . my overall loss/ .
417	BB:	in a] warehouse/ . and a a guaranteed delivery within forty-eight hours/ .	452	AL:	m-hmm/
418	AL:	with your labels/ .	453	BB:	and . a thousand cases of . sauce and tea/ . would not produce sufficient profit/ .
419	BB:	m-hmm/=	454	AL:	m-hmm/=
420	AL:	=then it becomes worthwhile . for us to print up your labels/ .	455	BB:	=for me to sell . five thousand cases of sardines at price B/ . that regrettably is something
421	BB:	m-hmm/			I couldn't entertain/ even though we are anxious/ .
422	AL:	and indeed . providing you've er contracted/ . to buy the five thousand/ . we would	456	AL:	m-hmm/=
423	BB:	simply ask for . cash on delivery for the first thousand/ . and then we would . work on	457	BB:	=to enter into this long term relationship/ ..
		the basis of . a staged . payment/ for the balance of four thousand/ .	458	AL:	but er . it will be short term/ .. short term because er if you are introducing a product/ .
424	AL:	m-hmm/			er . price that you sell/ . and subsequent price that we offer the market/ . must be
425	BB:	from what we would seek to do/ . is to . by talking to you to indicate . get an indication			competitive/ . I think er ... er .. I do not know about your cost/ but er . from our
		of how long you think . it would take to sell . the thousand cases/ . and we			calculation/ . er . labour cost/ . and other cost are . going up/ . and it's very competitive/ .
		would then . do our best to accommodate/ .			er . what I can er . offer as a compromise/ . if er . if we er . er . were to take a drastic
		m-hmm/			measure/ . to allow for . a higher price purchase of sardine from you/ .. then er .
		a: credit/ . arrangement for you/ .			likewise/ . you can offer us/ . er . in return a lower . a lower price for the other two
426	AL:	m-hmm/=	459	BB:	product/ .
427	BB:	=whereby . the payment for the balance for the four thousand cases/ .	460	AL:	=then . we may . we may be able to successfully come . to a . agreement/ to . to buy at a
428	AL:	[m-hmm/			price for . to buy all the three products/ .
429	BB:	wa:s] . developed/ say . additional two thousand cases . with sixty days credit/ .	461	BB:	m-hmm/
430	AL:	m-hmm/	462	AL:	because er . my concern is . although . you . sell . you can sell me at a higher price for
431	BB:	and the balance of two thousand cases/ . at a hundred and twenty days credit/ ..			tea bag and chilli sauce/ and I can mark up/ . on the price/ . the fact remains that
432	AL:	er . earlier I made the offer that we are willing to purchase er at a larger quantity/ if the			customer may not . even buy/ and . if that's the case/ . it's er . er not worth the while/ and
433	BB:	price is right/ .. but er . for a start we: have no intention to . to er order at . five			other factors include that er . there are already in the stores/ . many product/ . that are .
434	AL:	thousand/ . cases/ . for each and every . product that er . we have just discussed/ .			selling at a . a: reasonable margin/ . acceptable to us/ . and er this being . two new . new
		m-hmm/			pro- er new brand/ .. and er . we have a cost figure that . this does not meet/ .
435	BB:	er this is in view of our . er . er demand for . the different . products/	463	BB:	[m-hmm/
436	AL:	m-hmm/	464	AL:	our] usual margin/ . so er . I was thinking . if . I'm prepared to accept your sardine at
437	BB:	differs/ . so it will be a . at your o- at your price that you offer/ . er . . we do not mind if			price C/ . er . probably you could er . consider . er . that is er . sardine we are prepared
438	AL:	we er . order more of sardines/ but er . chi- chilli: chilli: sauce and tea bags/ .. would			to get say five thousand cases/ . er . for a start tea bag at two thousand cases/ . chilli
		would not be at . er five thousand cases/ .			sauce at two thousand cases/ . that you will consider tea bags/ . er . say . at a price of er
		mm/			... er . at a price of C/ .. okay at a price C/ er ... er .. and for chilli sauce/ . at a price of D/
439	BB:	per order/ . er .			now I . come to this er . er this suggested price is base on our cost/ . now by . ordering .
440	AL:				larger quantity of sardine/ . five thousand cases/ . and accepting it at ah . higher price of

465	BB:	C/.	m-hmm/	of course/.	497	BB:	m-hmm/	of course/.
466	AL:	we are, in fact, foregoing, e:r, quite a large, er, cost/, and whereas we are only asking for er, a reduced reduction in price/, for tea bag/, and a lower volume/, both for, chilli and tea bag/.	m-hmm/	cost calculations/=	498	AL:	=m-hmm/=	cost calculations/=
467	BB:	so, and we feel that, if you can provide us with, this, pricing/, then, we I feel assured that the new product/, will be able to sell/, and it will be er, er worthwhile/ to, consider/	m-hmm/	=see, how, it's like mm/.	499	BB:	()	=see, how, it's like mm/.
468	AL:			mm/, mm/, that sounds pretty okay/, er, what about the credit terms/, you have mentioned/, er, generally that er, the payment will be based on your, how well they sell/...	500	AL:		mm/, mm/, that sounds pretty okay/, er, what about the credit terms/, you have mentioned/, er, generally that er, the payment will be based on your, how well they sell/...
469	BB:	yes obviously I recognise that your, main criteria, is to make sure that you can make a worthwhile return/		I would, suggest, the first thousand cases/, of each three product/.	501	BB:		I would, suggest, the first thousand cases/, of each three product/.
470	AL:	m-hmm m-hmm/=	m-hmm m-hmm/=	m-hmm/	502	AL:	m-hmm/	m-hmm/
471	BB:	=on which for you will be: er new branded products/.	=on which for you will be: er new branded products/.	i::s: in a sense, cash on delivery/, the, thousand cases balance for, s- chilli sauce and tea/, would be: sixty days/, credit/.	503	BB:		i::s: in a sense, cash on delivery/, the, thousand cases balance for, s- chilli sauce and tea/, would be: sixty days/, credit/.
472	AL:	m-hmm/	m-hmm/	m-hmm/=	504	AL:	m-hmm/=	m-hmm/=
473	BB:	my own er homework/, er in determining the prices that you charge	my own er homework/, er in determining the prices that you charge	=in the expectation that, certainly by then, you should have sold, all, the two thousand cases/, so in a sense we're providing you with er cash flow/.	505	BB:		=in the expectation that, certainly by then, you should have sold, all, the two thousand cases/, so in a sense we're providing you with er cash flow/.
474	AL:	m-hmm/	m-hmm/	[m-hmm m-hmm	506	AL:	[m-hmm m-hmm	[m-hmm m-hmm
475	BB:	for our competitors' products that are currently on your shelves/.	for our competitors' products that are currently on your shelves/.	for products] which you've already sold/.	507	BB:	[m-hmm/	for products] which you've already sold/.
476	AL:	m-hmm/	m-hmm/	[m-hmm/	508	AL:	[m-hmm/	[m-hmm/
477	BB:	I genuinely believe, that, you would be making, a very acceptable profit/.	I genuinely believe, that, you would be making, a very acceptable profit/.	and], what I would suggest is that, in relation to the sardines/	509	BB:	and], what I would suggest is that, in relation to the sardines/	and], what I would suggest is that, in relation to the sardines/
478	AL:	m-hmm/	m-hmm/	m-hmm/	510	AL:	m-hmm/	m-hmm/
479	BB:	if indeed the chilli sauce, was to be priced a E/ ... the tea,	if indeed the chilli sauce, was to be priced a E/ ... the tea,	because I think, frankly, that at, price B,.	511	BB:	because I think, frankly, that at, price B,.	because I think, frankly, that at, price B,.
480	AL:	m-hmm/	m-hmm/	m-hmm/	512	AL:	m-hmm/	m-hmm/
481	BB:	to be priced at E/.	to be priced at E/.	please pardon the pun but I think the sardines will move like hot cakes/, as we say in England/, therefore, I would suggest/, certainly the thousand cases/, cash on delivery/	513	BB:	please pardon the pun but I think the sardines will move like hot cakes/, as we say in England/, therefore, I would suggest/, certainly the thousand cases/, cash on delivery/	please pardon the pun but I think the sardines will move like hot cakes/, as we say in England/, therefore, I would suggest/, certainly the thousand cases/, cash on delivery/
482	AL:	m-hmm/	m-hmm/	and then, what we should do/, is have a look at, the way the balance of the four thousand cases moves/.			and then, what we should do/, is have a look at, the way the balance of the four thousand cases moves/.	and then, what we should do/, is have a look at, the way the balance of the four thousand cases moves/.
483	BB:	and indeed it would be my expectation/ that, the sardines at a price of around E/, would have been, an acceptable price for you/, but, having, said that/, and acknowledging the: two thousand cases for both the tea and chilli/, which clearly is er very attractive proposition from my point of view/, what I would say is that, I can do, two thousand cases of chilli at E/.	and indeed it would be my expectation/ that, the sardines at a price of around E/, would have been, an acceptable price for you/, but, having, said that/, and acknowledging the: two thousand cases for both the tea and chilli/, which clearly is er very attractive proposition from my point of view/, what I would say is that, I can do, two thousand cases of chilli at E/.	and] what I would suggest is that, we: give you: thirty days credit/, in other words/, every time we delivered/.	514	AL:	m-hmm/ [m-hmm/	and] what I would suggest is that, we: give you: thirty days credit/, in other words/, every time we delivered/.
484	AL:	m-hmm/	m-hmm/	[m-hmm/	515	BB:	[m-hmm/	[m-hmm/
485	BB:	I'd be willing.	I'd be willing.	an additional, load of sardines to you/.			an additional, load of sardines to you/.	an additional, load of sardines to you/.
486	AL:	sorry/	sorry/	[m-hmm/	516	AL:	[m-hmm/	[m-hmm/
487	BB:	I would be willing, to do two thousand, tea, at, E/.	I would be willing, to do two thousand, tea, at, E/.	we] would give you thirty days credit/.	517	BB:	we] would give you thirty days credit/.	we] would give you thirty days credit/.
488	AL:	m-hmm/	m-hmm/	m-hmm/	518	AL:	m-hmm/	m-hmm/
489	BB:	and because I recognise that the sardines, may be the most price sensitive product/, I would be willing to back and quote you B/, so to recap it would be two thousand cases chilli at E/.	and because I recognise that the sardines, may be the most price sensitive product/, I would be willing to back and quote you B/, so to recap it would be two thousand cases chilli at E/.	and I genuinely believe, that with the exception, of the first thousand cases/, which you'd be paying: up front/, the balance, of the order, you would probably, and in all probability/, have actually sold the product/, received the cash/, and you would therefore be: funding yourself on our credit/, and, given that at the moment Singapore banks are charging, about, seven percent/, we would be providing you with free credit/ and you would be saving seven percent/.	519	BB:	m-hmm/	and I genuinely believe, that with the exception, of the first thousand cases/, which you'd be paying: up front/, the balance, of the order, you would probably, and in all probability/, have actually sold the product/, received the cash/, and you would therefore be: funding yourself on our credit/, and, given that at the moment Singapore banks are charging, about, seven percent/, we would be providing you with free credit/ and you would be saving seven percent/.
490	AL:	[m-hmm/	[m-hmm/	mmmm, I er don't quite agree with er what you've just said/, the, the current market practice, is for supplier, in fact, all our supplier do, give us credit on a, three month basis/ that means, goods, purchased/, sold/, and repaid/, on a, the er ninety day credit/, so: er, although we have er, tentatively er in principle agreed to the prices/ but the credit term will, is not er favourable/ and it, it is another hidden cost that, er	520	AL:	m-hmm/	mmmm, I er don't quite agree with er what you've just said/, the, the current market practice, is for supplier, in fact, all our supplier do, give us credit on a, three month basis/ that means, goods, purchased/, sold/, and repaid/, on a, the er ninety day credit/, so: er, although we have er, tentatively er in principle agreed to the prices/ but the credit term will, is not er favourable/ and it, it is another hidden cost that, er
491	BB:	two] thousand cases tea, also at E/, and I would be willing to provide you with five thousand cases of sardines, at a loss/, in other words price B/.	two] thousand cases tea, also at E/, and I would be willing to provide you with five thousand cases of sardines, at a loss/, in other words price B/.	view/.	521	BB:		view/.
492	AL:	five thousand/.	five thousand/.	mmmm, I er don't quite agree with er what you've just said/, the, the current market practice, is for supplier, in fact, all our supplier do, give us credit on a, three month basis/ that means, goods, purchased/, sold/, and repaid/, on a, the er ninety day credit/, so: er, although we have er, tentatively er in principle agreed to the prices/ but the credit term will, is not er favourable/ and it, it is another hidden cost that, er				mmmm, I er don't quite agree with er what you've just said/, the, the current market practice, is for supplier, in fact, all our supplier do, give us credit on a, three month basis/ that means, goods, purchased/, sold/, and repaid/, on a, the er ninety day credit/, so: er, although we have er, tentatively er in principle agreed to the prices/ but the credit term will, is not er favourable/ and it, it is another hidden cost that, er
493	BB:	five thousand cases	five thousand cases		522	AL:		
494	AL:	[m-hmm/	[m-hmm/					
495	BB:	sardines at price B/.	sardines at price B/.					
496	AL:	m-hmm, er, if you'll just bear with me just let me make a quick, (laughs)	m-hmm, er, if you'll just bear with me just let me make a quick, (laughs)					

523	BB:	that is er , incurred by us if you were to , go through the transaction with you/ , what I'm I: thought , that the: on the outset when you quote price that the: credit terms is , based on what is the current market practice/ that is ninety days/ ..	553	BB:	=m-hmm/ .
524	AL:	I think you'd agree with me that your company is very efficient/ , when it comes to , turning over it's stock/ .	554	AL:	er , we have , as I mentioned the cash flow , situation , is pretty tight at the moment/ .
525	BB:	m-hmm/=	555	BB:	m-hmm/
526	AL:	=I: er managed to get hold of a copy of , your , last , annual report and accounts/ .	556	AL:	so , I can make for some er , er deviation from , er , standard practice/ in fact a long stan- standing practice that all our suppliers/ , provide us with a three month credit/ based on er , the reputation/ , the reliability and prompt , payment
527	BB:	m-hmm/ and I did notice , that , your sales figure/ , was , a hundred and fifty million Sing dollars/	557	BB:	[m-hmm/
528	AL:	m-hmm/	558	AL:	er er] , er .. experienced/ , so er , if , you , you are able to , I would not subscribe to the idea of paying cash on delivery for , the initial , thousand cases/ but I'm prepared to consider , to , give you a lesser , cre- er to; even accept a , shorter credit terms/ , for a blanket two months/ , for all the goods that we purchase from you/ ..
529	BB:	and , your , stock figure/ , was indeed , only five million/ .	559	BB:	well Mr Lee you're a hard bargainer/ .. but in the hope and expectation that we're going to be able to do business together
530	AL:	m-hmm/	560	AL:	[m-hmm/
531	BB:	now that suggests to me that you're turning over your stock , thirty times a year/ .	561	BB:	again] in the near future/ .. sixty days credit it shall be/
532	AL:	m-hmm/	562	AL:	[mm/
533	BB:	in other words , average , stock position of about what ten days/ , therefore , I do believe that , when we look at the three products that we have here/	563	BB:	fo]:r all three lines/ .
534	AL:	m-hmm/=	564	AL:	yes/ [yes/
535	BB:	=which are obviously fast moving lines/ .	565	BB:	for] all , deliveries/ .
536	AL:	m-hmm/	566	AL:	mm/ . m-hmm/
537	BB:	a ten day , tur- turnover/ , a stock turnover at ten days/ even/ , would be , quite long , for sardines/ tea/ and chilli sauce/ , and therefore , rather than our actually building in , an additional cost/ .	567	BB:	starting from date of contract/ .
538	AL:	[m-hmm/	568	AL:	that's right/ .
539	BB:	to you] .	569	BB:	[okáy/
540	AL:	m-hmm/	570	AL:	yah/] , okáy/ .
541	BB:	by virtue of the credit terms I've just quoted/	571	BB:	then that's fine/ .
542	AL:	mm/]	572	AL:	mm .
543	BB:	we are actually giving you , if you will , the cash wherewithal	573	BB:	you have a deal/ .
544	AL:	[m-hmm/	574	AL:	yah/ .
545	BB:	to] , stock up , from perhaps those suppliers/ , who have said , we won't give credit/ , but we will give you , a discount for cash/ .	575	BB:	now I understand from your secretary that you're free for lunch/ , and I've booked a table at your favourite restaurant the Shark Fin Restaurant/ .
546	AL:	[m-hmm/	576	AL:	m-hmmmm
547	BB:	and] we are putting you in the position , of using our cash/ , to take , other supplies/ , and paying for that/ , for cash/ .	577	BB:	you're free to join me now/ ...
548	AL:	the er .. the .. we must bear in mind the three product/ , although er , s- similar product type has been on the market and doing well/ the turnover is well/ er , yours is a new brand/ .	578	AL:	er , er I don't see any problem/ .
549	BB:	m-hmm/	579	BB:	fine/ , [lovely/ .
550	AL:	so in anticipation of er , the risk factor involved/ , and also , er , is the way we er adjust our own internal cash flow/ that , er , the credit term , must not deviate too much from what , we are in practice now/ .	580	AL:	yah/ .
551	BB:	m-hmm/	581	BB:	thank you very much/ .
552	AL:	so , er you may say correctly that , er , it would save us er , er , it is still a , a good er , credit er , arrangement/ , but the , we have , we are committed in our , resources/ in a certain way and	582	AL:	yah/ , thank you/