


I. BUSINESS SKILLS - WRITING

COVER LETTERS

When companies order goods or services often, they usually compile a standard order form, which has to be accompanied by a cover letter.

1.  Here are two cover letters to accompany order forms. One of them has been specially designed for use in all situations. The other is an example of a transaction from our project. In groups of 2 to 3 read the letters and answer the following questions:

1. What is the function of each individual letter?
2. Which of them is an example taken from actual correspondence?
3. Which letter do you think would provide a better foundation for a business partnership?
4. Give your reasons.

No.1

CONFIRMATION OF VERBAL ORDER

Date: _

To: _ (Supplier)

This letter confirms your acceptance of the verbal order communicated to you on _.

A copy of our purchase order containing the stated terms is attached.

Unless we receive objection within ten days of your receipt of this order, we shall expect delivery of all goods ordered by the date indicated.

Very truly yours,

No 2

COVER LETTER FOR AN ORDER.

Dear Ms/Mr

We are writing to you with reference to your offer dated We have studied your offer and enclose our order n°..... .

We are pleased to note that your offer includes a special packing offer for Christmas. We feel sure that this will delight our international customers.

The invoice amount will be remitted by transfer to your bank account no. on receipt of your invoice. (Please let us have your complete bank details.)


We would appreciate it if you could send us the shipment as detailed on the accompanying order form as soon as possible and at the latest within 10 days. Please confirm receipt of this order by fax or telephone and advise us as soon as the goods have been shipped.

We reserve the right to return the goods carriage forward if they are not delivered within the period agreed.

Thank you for your prompt attention to this matter and we look forward to hearing from you.

Yours sincerely,

ORDER FORM

2.  Look at this example of an order form taken from the WEB. Has it been designed by the seller or by the buyer? Can you think of any items that could go into it? What would the prices be in your country?

Alternatively, an order can be placed in the form of a letter. Here is an example from our project.

<i>Maurya Hotels Ltd</i> Bristol 56T F7I, England Phone/Fax: ++65 379 334			
8 February 2002			
Ana Tominc CEO TONUTTI OFFICE FURNITURE 14 Brandon Rd Manchester			
Dear Madam			
Thank you for your letter and catalogue. We accept your terms and conditions and are placing an order for the following goods with you:			
Item	Quantity	Colour	Ref. no.
Computer station	2	Black	001
Task Chair	100	Blue	003
Executive Chair	10	Blue	004
Kindly make sure that the goods reach us within 3 weeks. If there are any problems with delivery please let us know.			
Yours sincerely			
Nadia Chaturvedi General Manager Purchasing			

4. *Are there any improvements you could make to the format of this letter?*

5. ✎ *Format the following letter appropriately, and then comment on its effectiveness for a reader in your country.*

February 14, 2004 Lindsay Office Products P.O. Box 1879 Spokane, Washington 98989 Subject: Furniture and equipment order Please ship the following items from your sales catalog dated January 31, 2004: ITEM CATALOG # COLOR QTY PRICE Conference Desk HN-33080-WB Sandalwood 2 \$478.60 ea. Credenza HN-36887-WK Sandalwood 2 431.40 ea. Executive Chair HP-56563-SE Toasted Tan 4 422.00 ea. File Cabinet HN-5344C-K Beige 2 135.90 ea. Letter Tray K5-299907-A Black 6 16.95 ea. The items ordered above should be shipped C.O.D. to this address: CLAIMS DIVISION, LAW DEPARTMENT City of Austin P.O. Box 96 Austin, Texas 78767-0096 The costs above reflect a discount of 5%, with net due in 30 days after the invoice date. The merchandise is to be shipped by your company's own truck line at a rate of 7 percent of the total net cost. We are remodelling our offices and have a target completion date of March 30, 2004. If there is any reason you see that you cannot keep your part of this schedule, please let me know immediately. Sincerely, Berenice Chamala Supervisor, Clerical Services BKC: amm

☞ What, apart from the address, tells you that the letter was written by an American?

6. 🖥️ Look for electronic resources for writing a confirmation of order. Try these websites and look for others as well.

<http://www.4hb.com/letters>

<http://www.smartbiz.com>

<http://www.smallbizarticles.com/>

<http://www.businessnation.com/library/forms>

What kinds of resources are available for businessmen in the real business world to improve their letter writing skills? Can you find examples on the INTERNET?

7. ✍️ Write a draft for the cover letter to accompany your order form. Make sure you include the following information in your cover letter:

- ✓ Introductory sentence
- ✓ Reference to offer
- ✓ Comment on terms of payment, delivery, etc
- ✓ Possible need to negotiate prices, terms, conditions before placing a final order
- ✓ Additional information if required
- ✓ Final statement

If you need more help check the electronic banks of letters. (Try <http://officeupdate.Microsoft.com/TemplateGallery/templates.html>)

II. BUSINESS STRATEGIES

TERMS AND CONDITIONS OF TRADE

1. ☞ Below you will find the Terms and Conditions of Purchase Orders established within your company. However, precise terminology still seems to be a problem. Can you help your CEO pinpoint the meaning clearly? If necessary, consult the glossary from your teacher to find the best wording.

Delivery/Dispatch/Supply Instructions

The **Supplier/Consignor/Consignee** shall send a detailed delivery **note /way-bill/invoice** for each individual **consignment/shipment/cargo** on the day of dispatch, separate from product and invoice.

The **consignment/goods/merchandise** is to be accompanied by a delivery **note/advice note/Acknowledgement of Receipt**. In the case of shipping the **shipping agency/shipper/freight forwarder** and the vessel will be given in the shipping documents.

The **supplier/buyer/purchaser** shall choose the **means/mode of transport** most favourable and suitable for us.

The order references and details of the place of unloading of the **cargo/consignment** shall be stated in full in any advice of dispatch, delivery note, **consignment note/ B/L /way-bill** or **invoice/ Letter of Exchange/cheque**, and on the **external packing/packaging/wrapping**.

Payment conditions

Unless otherwise agreed in writing we shall pay the purchase price within 7 days with a 5% discount, or at net price within 30 days after **dispatch/delivery/supply** of the goods and receipt of the **invoice/purchase order/VAT**.

If a delay in our handling of our **order/invoice/pro-forma invoice** occurs as a consequence of limited data availability, the supplier will be held responsible. Consequently, **B/E / payment/COD** settlement times will be extended by the duration of the delay.

The supplier will generally package, mark and dispatch any hazardous goods and materials according to the applicable regulations. The accompanying **Dangerous Goods Declaration/documents/Certificate of Origin** have to include all details required under respective carrier-related transportation instructions.


The supplier shall be liable for any damage and bear the cost arising from lack to comply with these rules and regulations.

Prices and delivery/arrival/delay time

The price stated in the order is binding. Unless otherwise agreed in writing, the price covers **delivery/shipping/dispatch** free address of dispatch and packaging. If the supplier reduces the price and improves conditions during the time between the submission of the order and the delivery, the prices and conditions valid on the date of **delivery/ordering/sending** shall apply.

The time of delivery stated in the order is binding and runs as from date of the order. As soon as the supplier assumes that he cannot fulfil his contractual obligations partly, wholly or on time, he shall notify us accordingly and without undue delay, stating the reason and the anticipated duration of the delay in writing or by facsimile. If the supplier fails to notify us in time, he cannot claim relief by reason of the circumstances, and the contracted penalties shall apply.


This is a legal document. What language characteristics are typical for such documents? Highlight all occurrences of 'SHALL' in the text in order to see how it is used in this type of text.

2.  Match the terms in the box with the appropriate extracts from contracts.

**PAYMENT, PRICE CHANGES, DEFECTIVE MATERIAL,
CORRECTIONS, CANCELLATIONS, DELIVERY, CLAIMS
AGAINST CARRIER**

- a. _____
In general, delivery of the ordered materials should occur within twenty (20) days of the date the vendor receives the purchase order. If this is not the case, the contract will indicate the delivery terms.
- b. _____
Unless otherwise expressly provided, seller's payment terms are net thirty (30) days from date of invoice. A cash discount is offered consistent with industry practice for payment with ten (10) days from the date of the invoice. Seller reserves the rights to charge a finance charge up to two (2) percent over the prime rate on the amount of the invoice which remains unpaid thirty (30) days after the invoice date.
- c. _____
Special offers are subject to price changes. A vendor requests a price change by submitting evidence of an industry wide price change. The vendors are obligated to furnish copies of the new price lists to users after the change has been approved.
- d. _____
Notify the vendor by telephone of intent to cancel. Cancellation of purchase orders should be requested on a "Purchase Order Change Notice". The reason for the cancellation must be stated. If the vendor is not in default, the cancellation request must indicate that the vendor has agreed to the cancellation.
- e. _____
If the correction could result in an incorrect delivery of merchandise, notify the vendor immediately of the intended correction. After an order has been issued, any correction must be requested on a "Purchase Order Change Notice". The reason for the correction request must be stated.
- f. _____
A clear receipt given to the Carrier by the Consignee eliminates the possibility of a claim for damage or shortage against the Carrier. In cases of shortages or damaged goods the receipt, freight bill and/or delivery memo, both your copy and the carrier's copy, is to be noted with the detail of the shortage or damage and all copies signed and acknowledged by the carrier's driver or representative. This will enable you to recover damage from the carrier without controversy.
- g. _____
In spite of the greatest care it is sometimes impossible to detect all imperfections. We guarantee to replace, with new material such goods as prove defective within reasonable time when properly worked or used, but under no circumstances will we be responsible for any damage beyond this.

CONFIRMATION OF ORDERS

3.  Read the following text and answer the questions below.

Having received an order the seller either completes it straight away or books it for execution at a future date. In both cases s/he usually confirms it by a letter or on a standard printed form. Such a confirmation is legally binding and may have very serious consequences.


The confirmation of an order should be sent promptly but quite often it is necessary to negotiate alternative arrangements with the manufacturer especially in terms of delivery time, the customer's special requirements, etc.

A confirmation of an order must always be sent in a printed form, which usually contains:

- ✓ Introductory statement expressing thanks
- ✓ Confirmation of facts necessary for carrying out the order
- ✓ Necessary details for delivery (such as serial number, description of the goods, quantity, prices, payment and delivery terms, etc.)
- ✓ Information on other products available and of interest for the customer
- ✓ Final sentence assuring that the fulfilment of the order will be given the best attention.

When an order cannot be completed as it stands, a *modification of terms* is needed. There may be various reasons for such a modification: rise in prices, lack of raw materials, bottlenecks in production. It might occur that a modification of terms is no longer possible. In this case the order must be refused. The reasons explaining the refusal must be stated in a courteous and straightforward manner.

- 1) What are the two ways of confirming an order?
- 2) Why is it necessary for the seller to consult manufacturers?
- 3) What does a letter of confirmation usually contain?
- 4) When do you need to suggest modifications?
- 5) When must the order be refused?
- 6) Which elements of the above advice need to be taken into account when confirming your order?

4.  In pairs read the confirmation of the order below and check, whether all the parts of a 'confirmation of order' listed above are included.

Dear Mrs. Brown

Thank you for your recent subscription to Ecostar's Premium Service. With your subscription, you will have exclusive access to the full content of the 25-volume Ecostar thesaurus in an advertisement- free environment.

Your subscription entitles you to a 4-day free trial period. If you choose to cancel your subscription within the first 4 days of services, you will not be billed. After your 4 day free trial has ended, your annual subscription fee of \$95.95 (USD) will be charged to your credit card. (this amount includes applicable sales tax.)

Start searching today at <http://www.Ecostar.com.net>.

If you would like to update your account information, or modify the status of your account, please visit <http://account.Ecostar.com>.

If you have questions about your account, contact Ecostar Customer Support.

Phone in US and UK: 5-555 555 555

Phone in all other countries: 45 45454 554

Monday-Friday, 8:00am – 6:00pm Central European Time


Fax: 44 55 55 55

E-mail: help@uk.Ecostar.com

Thank you again for your subscription. We hope you enjoy the many features and resources of Ecostar's Premium Service.


Sincerely,

Ecostar.net

5.  Review the rules on responding positively or favourably to an order. Supply the text with suitable words from the box.


filled, confirming, provided, customer, personalised, stock, acknowledgement, right away, information, large

One of the simplest letters to write is one..... that a customer's order has been received and is being An orderis unnecessary, if the products are being shipped or the services immediately. But acknowledgement of orders or first orders from a new and orders that cannot be filled are appropriate. To foster goodwill, the wise business communicator sends a letter with the customer's name and specific product, even if the letter contains.....phrases.

6.  Prepare for the meeting on producing an order for your partner company. Explore the issues that have to be taken into account when confirming an order that you will hopefully receive. Take notes.

III. INTERCULTURAL ASPECTS

CULTURAL DIFFERENCES

1.  Here are two examples of confirmations of orders from the project. Can you detect any differences, which may be a result of cultural diversity?

A

<p style="text-align: center;">MASTER COMPUTER COMPANY <i>Feverstreet 8 Bitania, Blagavir</i></p> <p style="text-align: center;">ORDER CONFIRMATION</p> <p>Dear Sirs & Ladies</p> <p>Thank you for placing an order for the laptops, this would definitely open a gateway for a good relationship between our two companies, and countries.</p> <p>I acknowledge your order of 100 pieces of Dell Latitude Cpx H-series(MPN-220-3522).The total cost of the consignment is \$200,000 excluding shipping and handling fees.</p> <p>Concerning the shipping and handling, we have an agent who can take care of this, but the shipping agency is not part of our company, it is just an affiliate, so that to make the customers burden lighter.</p> <p>The delivery time specified by you is acceptable,(14 days), it would reach you in 14 days(working days) as soon as the transactions are completed. We look forward to a hitch-free transaction, which would lead to future transactions between our two companies.</p> <p>If you have any questions regarding the order, feel free to contact me.</p> <p>Best Regards</p> <p>Chris Public Relations Officer</p>

B

Creasystem

Greatplace26 22309 Hagganis, Groniland

Master Computer
Software Developing Dept.
Feverstreet 8
Bitania
Blagavir

Your ref.:

Our ref.:

Date: 29. March 2003

Dear Mr. Varga,

At first we want to thank you for your order for file cabinets and cupboards. Creasystem GmbH agrees to the terms of payment. But we made a mistake in our offer. The terms of delivery are ddp Bitania and not cif Hegyes, and we will deliver by road. You can be sure that you will get the dispatch within the next 14 days.


We hope you agree to our new terms. We are pleased to do business with you.

Yours faithfully,


Steven Stonarczyk


MONEY TALK

Now you are entering into a serious business partnership with your partner company. In the real world, business is about money. But does money have the same value and meaning for everybody?

2.  *In groups of 3 to 4, discuss the following questions:*

- 1) What is the role of money in your lives?
- 2) Has the role of money changed in your country lately?
- 3) How do you understand the saying “Money is a good servant, but a bad master”?
- 4) Do you agree with Oscar Wilde’s statement that nowadays most people know the price of everything but the value of nothing? Oscar Wilde lived nearly a century ago. Does this statement apply to the situation in your country today?
- 5) Is bargaining part of your culture? Would you bargain when taking a taxi, buying clothes, etc? Are there any situations in which you would ask for a discount? How much would you ask for?


3.  *Your secretary should write down the answers. Compare your answers with those of other teams. Send the final conclusions to the Forum.*

4.  *Imagine that you are going to sell your products or services to the following four imaginary countries:*


1. Mazignera is a new market economy. It has been independent only for the last five years.
2. Canton is a very stable country politically, though the inflation rate is high.
3. Bantana is having serious political unrest; there is a possibility of conflict with the neighbouring country.
4. Hamani is a well-developed country with which you have had a long business relationship.

Which of the following methods of payment for your goods would you impose on each of the listed countries:

- a) *advance payment by bill of exchange*
- b) *payment by irrevocable letter of credit within 30 days*
- c) *payment by foreign currency draft*
- d) *payment by standby letter of credit*

 *Also check the information you gathered in Unit 5. If you are still unfamiliar with any of these terms, use a dictionary or ask your teacher. Refer to the following site for more information on financial terms:*

<http://www.aibtradefinance.com/tf/GLOSS.ASP?A>
Add the terminology to your glossary.

5.  *By e-mail, contact one of the members of your partner company and find out what role money plays in their society. Ask them to provide some words and phrases connected with money in their own language. Discuss the difficulties that might arise in your financial transactions, due to different concepts of money in different cultures and countries.*

Ask questions like:

- *What does money mean to you?*
- *How punctual is payment in your country?*
- *Is it easy for someone who declares bankruptcy to start up in business again?*

Based on your correspondence and referring to the Forum, prepare to discuss these issues in your group.



1. *Send your order/s to your partner company/s.*
2. *Write a Confirmation of Order that you have received.*
3. *Check the Forum to discuss the intercultural differences in money matters.*