

BEP 123 ADV – Negotiations: Closing the Deal

In the concluding episode of our series on business negotiations, we're going to look at *closing the deal*.

Success! The hard work of negotiation has paid off. You've reached agreement. Now it's time to *close the deal*. In this episode, we'll study skills and language for the final stage of the discussion. In particular, we'll focus on *summarizing details, tying up loose ends, reinforcing the relationship* and *adopting a positive style*. We'll see that the *end of talks* presents a *great opportunity to build stronger partnerships*.

In this show, we will look at *two* short dialogs that demonstrate different styles of negotiation. In the first, a construction materials supplier, Tony, calls his customer, Paul, to agree to the terms of a deal. In the second, a general manager, Maxine, calls the owner of another company, Peter, to tell him that her board of directors has agreed to buy his company.



As you listen, pay attention to how the *deal is closed* in both conversations. Try to answer the following listening questions. The answers will be posted as usual in a few days on our website at www.businessenglishpod.com.

Listening Questions

1. In the first dialog, what does the supplier, Tony, want to confirm with his customer, Paul?

2. What kind of positive language do Tony and Paul use at the end of the dialog to reinforce the relationship?

3. In the second dialog, does Maxine say that the board has agreed to Peter's suggested price?

4. From the conversation, does it sound as though Peter will continue to work at his company through the merger?

Vocabulary

Letter of intent: A preliminary, or beginning, agreement that describes the terms for a future final contract. Letters of intent can be *binding* – that is, it is legally required to follow the agreement – or *non-binding* – that is, either party may break the agreement without legal consequences.

Prompt payment: Payment on time or within a specific deadline. “We have a discount for prompt payment – if you pay within two weeks of delivery, you can get 5% off.”

Paperwork: Generally refers to forms; in the context of the dialog, it probably means a contract. “Every day I’ve got loads of paperwork to do.”

Samples: Example products. “We’re very interested in your product, so could you send us some samples.”

To drop s/o a line: To contact s/o. “It would be great if you could drop us a line next week, either by email or phone – it doesn’t matter.”

To come back very favorable on sth.: To return from discussions in favor of sth. “The executive committee met in private and came back very favorable on the proposal to outsource training.”

To be amenable to sth.: To be able to agree to sth. “I’m pretty sure he would be amenable to your proposal.”

To work out the details: To figure out the fine points. “It sounds like a good plan, but we have a lot of details to work out.”

To have a personal interest in sth.: To be personally interested in sth. “We all have a personal interest in environmental protection – this is our only planet, and we all live here.”

To see sth. through to a successful conclusion/to the end: To see sth. through means to persist in doing sth. “He didn’t retire until he had seen the deal through to the end.”

To be key in/to sth.: To be very important in/to something. “R&D is key to our success.”

Transition (from sth. to sth.): The (period of) change from one thing or state to another thing or state. “During the transition from the old owner to the new, we all need to work together to demonstrate what a great team we are.”

To be a big winner: To be very successful. “Some people say the big winners in the energy crisis are the oil companies, but their future is uncertain.”

To be on the same page (about sth.): To have the same understanding of sth. “He is on the same page about this as we are.”

To tie up loose ends: To deal with minor unsolved details. “There’s just a few loose ends to tie up, then we can sign the contract.”

Dialogs

A. Bolts

Tony: Good news.

Paul: Great.

Tony: Head office has agreed to a 10% discount under the conditions we discussed.

Paul: **Letter of intent, prompt payment.**

Tony: That's correct. Though we just want to confirm that the second order is going to be around the same size as the first.

Paul: If anything, bigger.

Tony: Great. I'll have the **paperwork** sent over later today.

Paul: Yes, and we'll want to see some **samples**.

Tony: Of course.

Paul: Looking forward to working with you.

Tony: And please do **drop us a line** if anything else comes up.

Paul: Will do.

B. Telecoms

Maxine: The board **came back very favorably on** the proposal.

Peter: That's good news. So they'd be **amenable to** the price range we discussed?

Maxine: That's right. Of course, we're going to have a lot of **details to work out**.

Peter: Certainly, and I'd like to help out with it. I have a **personal interest in seeing this through to a successful conclusion**.

Maxine: Definitely. Your experience and knowledge will **be key** throughout the **transition**.

Peter: Great, well, I really look forward to our further discussions.

Maxine: We feel the same way. Everyone thinks this deal is going **to be a big winner**.

Debrief

It sounds like both deals are going to *go through*, that is, they're going to be completed successfully. Let's examine the language the participants use to conclude their agreements.

How does the dialog between Peter and Maxine begin?

Maxine: The board came back very favorable on the proposal.

Maxine calls Peter to tell him about her board of directors' decision. She says the board "*came back*," or returned from discussions, "*very favorably on*," that is, in favor of - the proposal to buy Peter's company.

When we close a deal, the first thing we need to do is to announce the good news that we can agree to the other party's terms. What are some other ways to do this?

- It's a deal!
- It's settled, then.
- Good news! We can accept this offer.
- I think this is fair to both sides.
- Let's shake hands on it.
- Good, I think we have an agreement.

After Maxine announces that a deal can be made, Peter summarizes the most important information to make sure he and Maxine have understood each other clearly.

Peter: That's good news. So they'd be **amenable to** the price range we discussed?

Maxine: That's right.

"So..." tells us that Peter is about to start a summary. "*Amenable to*" means "able to agree to." Peter is asking if the board was able to agree to the price *range*, or approximate figure, that he suggested.

Now let's take a look at the first dialog for a moment. How does Paul, the customer, summarize Tony's terms? It's even simpler there... Listen again:

Tony: Head office has agreed to a 10% discount under the conditions we discussed.

Paul: Letter of intent, prompt payment.

Tony: That's correct.

Tony says his head office has agreed to a 10% discount "under the conditions we discussed." Paul wants to confirm these conditions, so he just lists them: "Letter of intent, prompt payment."

Using the single word "so" – as Peter does – or making a list – as Paul does – are two ways of summarizing term. Let's review some more phrases we can use to make a summary.

- Okay, let's go over everything one last time.
- So let's just run through what we discussed again.
- Let's confirm the details of our agreement.
- To sum up, the terms are 5/10 net 30, payment by bank draft.
- I'd just like to make sure that we're all on the same page.

To be on the same page is an idiom that means *to have the same understanding*.

So both Paul (in the construction dialog) and Peter (in the company merger dialog) have been careful to confirm the details of their arrangements.

What happens next in their discussions? Let's listen again to Peter and Maxine.

Maxine: That's right. Of course, we're going to have a lot of **details to work out**.

Peter: Certainly, and I'd like to help out with it.

Maxine says, we have a lot of details to "*work out*," that is, to arrange.

Here, Maxine is *tying up loose ends*, or dealing with any unresolved points of the agreement.

With Tony and Paul, there are *also* loose ends to be tied up. Listen again to how they do it:

Tony: ... Though we just want to confirm that the second order is going to be around the same size as the first.

Paul: If anything, bigger.

Tony: Great. I'll have the **paperwork** sent over later today.

Paul: Yes, and we'll want to see some **samples**.

Tony: Of course.

Paul and Tony have a few points to resolve. To get a quantity discount, Paul had promised to place two orders with Tony – one now and one in the future. Tony "wants to confirm" that the quantity of the second order will be large as the first. Next, Tony promises to send over the *paperwork* or contracts. Finally, Paul requests *samples*, that is, example products.

Let's now review some further expressions that we can use to *tie up loose ends* at the end of a negotiation.

- We just want to confirm that we have agreed on delivery.
- There are just a couple of loose ends to tie up.
- There are just a few details to mop up.
- Let's get together early next week to draft an agreement.
- Would you be amenable to signing the contract next week?

Next, in both dialogs, the participants take this opportunity to *reinforce* – that is, emphasize and strengthen – their *positive relationships*.

In the second dialog, Maxine responds favorably to Peter's suggestion that he should stay involved throughout the merger.

Peter: I have a **personal interest** in **seeing this through to a successful conclusion**.

Maxine: Definitely. Your experience and knowledge will **be key** throughout the transition.

Peter mentions that he wishes to *see the merger through* to a successful conclusion. To see something *through* means to *persist with something*, even under tough circumstances.

Maxine flatters Peter – she says that his experience and knowledge will be key – that is, very important – through the *transition*, or change of ownership.

What about Paul and Tony? How do they reinforce the relationship?

Paul: Looking forward to working with you.

Tony: And please do **drop us a line** if anything else comes up.

Paul's phrase – "*Looking forward to working with you,*" – is a simple and sincere expression of goodwill. Tony then asks Paul to "*drop him a line,*" – or *contact* him – if anything else *comes up* or he has any questions. This is both an offer of help and a friendly request for more business.

Obviously, reinforcing the relationship is an absolutely critical part of closing the deal. Reaching agreement is a great opportunity to build stronger *rapprochement* or connections with our partners. Before we move on, let's listen to some more useful phrases that we can use for this purpose.

- Looking forward to working with you.
- We really appreciate all the work you've put into making this possible.
- Thank you for your support.
- We stand to benefit a lot from your experience.
- We highly value our partnership and look forward to our future cooperation.

Finally, how do the dialogs finish off?

In both conversations, the participants finish their discussions promptly. In other words, as soon as they *make the agreement*, they *get out*. At the end of a negotiation, it's usually not a good idea to *dwell on* or mention negatives and not a good idea to pick up earlier discussions unnecessarily. As the old saying goes, "If it isn't broken, don't fix it."

In the construction dialog, Paul simply responds to Tony's request to "drop him a line" with "*Will do.*" This warm reply ends the conversation on a good note.

In the merger dialog, Maxine finishes off by making a strongly favorable prediction for the future.

Peter: Great, well, I really look forward to our further discussions.

Maxine: We feel the same way. Everyone thinks this deal is going **to be a big winner**.

Maxine says “everyone thinks the deal is going to be a big *winner*,” or a big success.

So we can see how all participants have *adopted a positive style* to close. Earlier, we mentioned that the completion of a deal is an opportunity to strengthen relationships. One important way to build stronger partnerships is to use *positive* language. Let’s take a look at some more phrases we can use.

- We are confident that we can provide you top quality at a good value.
- This is the beginning of great things.
- We are going to work hard to make this project a success.
- We look forward to working with you.

Now, it’s your turn to practice. First, let’s study *reaching agreement*. Imagine you have been in discussions with some potential customers. Finally, you have negotiated terms that everyone can agree to. Using the language in the cue, announce the good news.

For example, if you hear:

Example cue: *accept the offer* <beep>

You can say something like:

Example learner – reach agreement: Good news! I’m happy to say we can accept the offer.

Then, the customers will respond by summarizing the terms. For example, they will say:

Example customer: So you are amenable to the price range we discussed?

You should respond *positively*. For example, you might say:

Example learner – positive response: Definitely. We really look forward to working with you on this.

Are you ready? Let’s give it a try.

Cue 1: *reach agreement*

Learner 1 – reach agreement: _____

Customer 1: That’s good to hear. So a prompt payment discount is no problem?

Learner 1 – positive response: _____

Cue 2: *fair to both sides*

Learner 2 – reach agreement: _____

Customer 2: That’s good to hear. So you can agree to the terms we discussed?

Learner 2 – positive response: _____

Now, let's listen to some example answers. Of course, there are many possible correct responses.

Cue 1: *have an agreement*

Learner 1 – reach agreement: Great! I think we have an agreement!

Customer 1: That's good to hear. So a prompt payment discount is no problem?

Learner 1 – positive response: That's right. And we are confident that we can provide you top quality and at a good value.

Cue 2: *fair to both sides*

Learner 2 – reach agreement: I really think this deal is fair to both sides.

Customer 2: That's good to hear. So you can agree to the terms we discussed?

Learner 2 – positive response: Absolutely. I think this is the beginning of great things.

Practice 2

Okay, now let's practice useful collocations. You'll hear a series of sentences with a word *blanked out* or replaced with a *beep*. Repeat the whole sentence, but say the missing word.

For example, if you hear:

Example cue: So let's just run **<beep>** what we discussed again.

You should say:

Example answer: So let's just run **through** what we discussed again.

We'll play an example answer after each exercise.

Are you ready? Let's begin.

Cue 1: He is on the same **<beep>** about this as we are.

Learner 1: _____

Cue 2: There's just a few loose **<beep>** to tie up.

Learner 2: _____

Cue 3: We won't give up until we **<beep>** the deal through to a successful conclusion.

Learner 3: _____

Cue 4: It sounds like a good plan, but we have a lot of details to **<beep>** out.

Learner 4: _____

Cue 5: I'm pretty sure he would be **<beep>** to your price range.

Learner 5: _____

Answer 1: He is on the same **page** about this as we are.

Answer 2: There's just a few loose **ends** to tie up.

Answer 3: We won't give up until we **see** the deal through to a successful conclusion.

Answer 4: It sounds like a good plan, but we have a lot of details to **work** out.

Answer 5: I'm pretty sure he would be **amenable** to your price range.

That's all for this episode on *closing the deal*. We've seen that reaching agreement presents an opportunity to build stronger partnerships, and we've studied *summarizing terms, tying up loose ends, reinforcing the relationship, and adopting a positive style*.

Remember to check out the study notes at www.businessenglishpod.com. There you'll find full transcripts, vocabulary explanations and review exercises for this and other episodes. Also, you can sign up for our learning center to get access to a wide range of quizzes, listening activities, and revision questions. All that's at www.businessenglishpod.com.

Thanks for listening. See you next time!

Language Review**A. Useful Language**

Review useful language for closing the deal by filling in the blanks in the sentences below.

1. We feel the _____ way. And we are _____ that we can provide you _____ quality at a _____ value.
2. That's good to _____. But I just want to _____ that early delivery is going to be no _____.
3. Of course, let's let the lawyers talk about that. We're really looking _____ to working with you!
4. Definitely no problem there, though we do have a few _____ to mop up in the contract.
5. Good _____! It's a _____. We can _____ this arrangement.

B. Dialog Jumble

The sentences in Exercise A above form a dialog between Cecilia and Nicole, but the phrases have been jumbled, i.e. placed in the wrong order. Put them into the correct order in the space below. (The words following each bullet point are all said by one person, i.e., sometimes one person says two or three sentences before the other person speaks.)

After you've finished identify the expressions' functions, i.e., *reaching agreement*, *summarizing*, *tying up loose ends*, *reinforcing the relationship* or *adopting a positive style*.

	Function
Cecilia:	
Nicole:	
Cecilia:	
Nicole:	
Cecilia:	

Study Strategy

What are some deals that you dream about closing? Let your imagination go wild. Would you like to buy a mansion, a yacht? How about being in charge of a multi-billion dollar merger? Or perhaps you would like to broker world peace or better international environmental treaties. Whatever deal it is you'd like to close, write a dialog that covers the final stage of the agreement. Take turns role-playing your dialogs with a friend, colleague or learning partner.

Answers

Listening Questions

1. Tony wants to confirm that the second order is going to be around the same size (quantity) as the first.
2. Paul says he is "looking forward to working with" Tony. And when Tony tells Paul to "drop us a line if anything else comes up," (that is, call him if there is any more business), Paul responds positively – he says, "Will do."
3. Yes. Peter asks Maxine if the board would "be amenable to" – that is, be able to agree to – the price range they discussed. Maxine responds, "That's right."
4. Yes, it seems quite likely that Peter will continue to work at his company through the merger. Peter says, he has a personal interest in seeing the merger through to a successful conclusion. Maxine responds that his knowledge and experience will be key throughout the transition, that is, the period of time in which ownership is transferred.

Language Review

A. Useful Language

- We feel the **same** way. And we are **confident** that we can provide you **top** quality at a **good** value.
- That's good to **hear**. But I just want to **confirm** that early delivery is going to be no **problem**.
- Of course, let's let the lawyers talk about that. We're really looking **forward** to working with you!
- Definitely no problem there, though we do have a few **details** to mop up in the contract.
- Good **news**! It's a **deal**. We can **accept** this arrangement.

B. Dialog Jumble

Cecilia: Good news! It's a deal. We can accept this arrangement. <Reaching agreement>

Nicole: That's good to hear. But I just want to confirm that early delivery is going to be no problem. <Summarizing>

Cecilia: Definitely no problem there, though we do have a few details to mop up in the contract. <Tying up loose ends>

Nicole: Of course, let's let the lawyers talk about that. We're really looking forward to working with you! <Reinforcing the relationship>

Cecilia: We feel the same way. And we are confident that we can provide you top quality at a good value. <Adopting a positive style>

Links (click a link to open the exercise)

[Closing the Deal – Listening Quiz](#)

[Closing the Deal – Gap-fill Exercise](#)

[Closing the Deal – Dialog & Vocabulary Definitions](#)

[Closing the Deal – Reaching Agreement and Summarizing](#)

[Closing the Deal – Tying up Loose Ends](#)

[Closing the Deal – Reinforcing the Relationship & Adopting a Positive Style](#)

[Closing the Deal – Jumbled Dialog](#)

[Closing the Deal – Vocabulary Review](#)

[Closing the Deal – Flashcards](#)