

LESSON 1

TYPES OF PROPRIETORSHIP**Text**

A business may be privately owned in three different forms. These forms are the sole proprietorship, the partnership, the corporation. The sole proprietorship is the most common in many western countries. For example, more than 80 per cent of all businesses in the United States are sole proprietorships.

But it is evident that sole proprietorships do not do the greatest volume of business. They account for only 16 percent of all business receipts, for example, in America. What kind of business is likely to be a sole proprietorship. First of all, service industries such as Laundromats, beauty shops, different repair shops, restaurants.

Active Vocabulary

business	дело
to own	владеть
sole proprietorship	частная собственность
partnership	партнерство
corporation	корпорация
volume	объем, количество
receipt	денежные поступления
service industry	сфера обслуживания
to account for	объяснять, отчитываться
repair shop	мастерская

Comprehension Question

1. What are three different ways that a business can be privately owned?
2. What forms do most European countries have?
3. What forms do the businesses in the USSR have?
4. Name some businesses that are likely to be sole proprietorship. Why do you think so.
5. Name some businesses that are not likely to be sole proprietorship? Why do you think so?

Vocabulary Practice**Exercise 1. Choose the necessary word and put it in the sentence .**

1. Small...are very often service industries. |1 receipts
2. The...industries don't produce material |

- goods. | 2 business
3. More than 80 per cent of all business |
...are not from sole proprietorships. |3 service
4. Less than 20 per cent of European |
businesses are partnerships or... |4 privately
5. Sole proprietorships...only a small part |
of all business receipts. |5 account
6. Is this bank owned publicly or...? |6 corporation
7. There are three...of business ownership. |7 forms

Dialogue

- Jim** Hi, Alice. How are you getting on?
- Alice** Fine, as usual, thanks, Jim. What about you?
- Jim** I'm O.K. It's nice to see you.
- Alice** You too. I'm glad you are not in a hurry and we have time to talk today.
- Jim** Sure.
- Alice** Can you give me a piece of advice?
- Jim** Well, I'll try I can.
- Alice** You know I've been always good at cooking. It interests me. I am thinking of starting my own business – cafe.
- Jim** It might be a good idea.
- Alice** I guess I must learn about the responsibilities of going into business.
- Jim** Are you going into this business by yourself?
- Alice** Exactly. I'd like to have a cafe with my name on it where I make the decisions and where I control the profits.
- Jim** You seem to be resolute so I'll try to help you. If you go into business alone, it is called sole proprietorship. In such case you needn't consult a lawyer to form the business. You can start or you can stop your business whenever you like.
- Alice** It sounds encouraging. What else can you tell me?
- Jim** There is no need to consult partners or a board of directors. So you can put your policies into effect quickly. You decide on your vocation, hours, salary, hiring and firing.
- Alice** Well, that's not bad.
- Jim** Wait a moment. I believe I have to tell you about the risk involved.
- Alice** What do you mean?
- Jim** First of all, the most important risk is that you have unlimited liability. It means that you are responsible for all your business debts.
- Alice** So if the business fails, I have to declare personal bankruptcy, don't I?

- Jim** That's what I mean. You can lose your personal assets?
Alice Well, it's rather disappointing. What other things should I know?
Jim You won't get tax benefits which partnerships or corporations can get.
Alice I know about it. By the way do you know of a good accountant to do my taxes?
Jim Of course. You'll also have to hire a good bookkeeper if you can't do your books yourself.
Alice I can't say anything definite about that. I have to think it over. What else, Jim?
Jim Well, I am a bit hungry, why don't we have a snack together and discuss the things in the cafe.
Alice You are right as usual. Let's go.

Active Vocabulary

piece of advice	совет
can you give me a piece of advice	не могли бы вы дать мне совет
I am thinking of 'starting my own business	я думаю о том, чтобы начать свое дело
responsibility	ответственность
to make decisions	принимать решения
to control the profits	контролировать прибыль
sole proprietorship	частная собственность
to need a lawyer	нуждаться в юристе
it sounds encouraging (вдохновляюще)	это вдохновляет (звучит)
to consult partners (партнерами)	консультироваться с
a board of directors	совет директоров
to put policies into effect quickly	быстро достичь хороших результатов
to hire	нанимать
to fire	увольнять
to decide on vacation, hours, salary, hiring and firing	решать вопросы, связанные с отпуском,
продолжительностью рабочего дня, зарплатой, наймом, увольнением	
to have unlimited liability	иметь неограниченную юридическую ответственность
to be responsible for ail business debts	нести ответственность за производственные долги
to fail	терпеть неудачу

to declare personal bankruptcy	объявить личное банкротство
personal assets	личная собственность
tax benefits	льготы по налогообложению
to get tax benefits	получить льготы
налогообложению	ПО
accountant	бухгалтер, счетовод
book-keeper	бухгалтер, счетовод
to do books	вести бухгалтерский учет

Vocabulary Exercises

Exercise 1. Transform the sentences according to the mood.

Model: I am thinking of starting my own business open a cafe.

I am thinking of opening a cafe.

- 1) start a car-repair shop
- 2) hire a book keeper
- 3) fire an employee
- 4) consult a board of directors
- 5) sell my business
- 6) do my books myself
- 7) consult a lawyer
- 8) find a specialists

Exercise 2. Transform the sentences according to the model.

Model: A book keeper will do the books.

I am going to have a book keeper do the books.

1. A partner will finance the business.
2. A salesperson will sell the clothes.
3. A decorator will design the interior.
4. A lawyer will do this work.
5. A secretary will mail the letters.
6. A colleague will give me a piece of advice.
7. A book keeper will prepare the tax report.

Exercise 3. Answer the questions.

1. Are you thinking of starting your own business?
2. What business do you want to start?
3. How do we call the business if you go into it alone?
4. Who is going to make the decisions and control the profits in your business?
5. Do you need a lawyer if you want to start a sole proprietorship?
6. Why don't you have to consult the partners in a sole proprietorship?

7. How many employees are you going to hire for your business? In what cases will you fire them?
8. What does it mean to have unlimited liability? Are you ready for it?
9. What will you do, if your business fails?
10. What will you do to put policies into effect quickly?
11. What businesses have tax benefits in this country?
12. Can you do your books yourself?
13. Are you going to hire a book-keeper?

Exercise 4. Translate into English.

1. Мне нужен совет.
2. Я сам контролирую прибыль своего предприятия.
3. Если вы хотите заняться частным предпринимательством, обратитесь к юристу.
4. Директор решает вопросы, связанные с наймом и увольнением.
5. Я боюсь иметь полную юридическую ответственность.
6. Я не отвечаю за производственные долги.
7. Малые предприятия имеют льготы по налогообложению.
8. Хороший бухгалтер сможет вести дела лучше, чем вы.
9. Мне нужно нанять бухгалтера.
10. Мне нужно проконсультироваться с юристом.

Exercise 5. Make up the dialogue.

You are going to start your own business. Ask a lawyer or an experienced person how to do it.

Grammar Exercises

Exercise 1. Make the sentences negative.

1. I want to start my own business.
2. You need a lawyer in this case.
3. Sole proprietorship brings much profit.
4. Sole proprietorship gets tax benefits from the government.

Exercise 2. Put up four questions of different types (general, special, disjunctive, alternative) to each sentence.

Model: The partners are responsible for business debts.

- a) Are the partners responsible for business debts?
- b) Why are the partners responsible for business debts?'
- c) The partners are responsible for the business debts, aren't they?

d) Are the partners responsible for the business debts or fulfillment of the arrangement?

- 1) I want to go into business with my friend.
- 2) You can lose personal assets.
- 3) He is difficult to get tax benefits from the state.
- 4) I do my books myself.
- 5) We both have unlimited liability.
- 6) The board of directors decided on vacation, salary, hiring and firing.
- 7) The partners want to consult a board of directors.

LESSON 2

PARTNERSHIPS**Text**

A partnership is an association of two or more persons to carry on a business for profit. When the owners of the partnership have unlimited liability they are called general partners. If partners have limited liability they are "limited partners". There may be a silent partner as well - a person who is known to the public as a member of the firm but without authority in management. The reverse of the silent partner is the secret partner - a person who takes part in management but who is not known to the public.

Any business may have the form of the partnership, for example, in such professional fields as medicine, law, accounting, insurance and stockbrokerage. Limited partnerships are a common form of ownership in real estate, oil prospecting, quarrying industries, etc.

Partnerships have more advantages than sole proprietorships if one needs a big capital or diversified management. Like sole proprietorship they are easy to form and often get tax benefits from the government.

Partnerships have certain disadvantages too. One is unlimited liability. It means that each partner is responsible for all debts and is legally responsible for the whole business. Another disadvantage is that partners may disagree with each other.

Active Vocabulary

partnership	партнерство
to carry on a business	вести дело
profit	прибыль
general partner	общий партнер (несущий полную
юридическую	ответственность за дело)
limited partner	партнер с ограниченной юридической
ответственностью	
silent partner	партнер без права голоса
secret partner	секретный партнер (с правом голоса,
но неизвестный	общественности как партнер)
law	зд. юриспруденция
insurance	страхование
stockbrokerage	биржевое маклерство
real estate	недвижимость

oil prospecting	добыча нефти
quarrying industries	добывающие промышленности
advantage	преимущество
disadvantage	недостаток
to be legally responsible	быть юридически ответственным

Comprehension Questions

1. What is the difference between a general partnership and a limited partnership?
2. Is there any difference between a silent partner and a secret partner? What is this difference?
3. In what professional fields are the partnerships found?
4. In what businesses is the partnership a common form?
5. What are the advantages of a partnership?
6. Discuss the disadvantages of a partnership. Would you prefer partnership or sole proprietorship of business? Give your reasons.

Vocabulary Practice

Exercise 1. Select the necessary word in the sentence.

1. Partnership very often receive...
from the government. | 1 secret partner
2. Limited partnership is a common | 2 unlimited
form of ownership in... | liability
3. Partnerships have many..., one is that |
they receive tax benefits from the |
government. | 3 real estate
- 4....are the partners with unlimited |
liability. | 4 general partner
- 5....has the authority in management but |
he is not known to public. | 5 advantage
6. A secret partner takes part in... | 6 profit
7. General partners have... | 7 capital
8. One advantage of a partnership is that |
it offers a multiple source of... | 8 management
9. A partnership can bring much... |
to the partners. | 9 tax benefits

Dialogue

(Two friends Susan and Maurice; are having supper in a restaurant)

- Maurice** Haven't seen you for a long time. What have you been busy with?
- Susan** I've been pretty busy. Do you know my friend Nora? I went into business with her.
- Maurice** Really? How is it going on?
- Susan** Fine, thanks. We get along very well, and the shop is attracting more and more customers.
- Maurice** It sounds well. How many partners are U -te in your business?
- Susan** There are two of us and I am very pleased about it. I've made a right choice. Nora' s background is in accounting. She is very good at keeping the books.
- Maurice** And you?
- Susan** You know I always liked talking. I guess I am rather good with customers. I enjoy selling things.
- Maurice** Well, it sounds interesting. I believe you don't run a risk in your business.
- Susan** We haven't had many problems, although I suppose all business can be risky
- Maurice** Did you both put the same amount of money into your business? Do you mind my asking?
- Susan** No, we didn't invest the same amount of capital. But I think we've combined our resources very well. I think it's good for both of us.
- Maurice** It seems really so. That is one advantage or general partnership. You can invest less capital than your partner - even no money ,at all. But you as a partner can contribute important services or skills, sometimes just a name or a reputation.
- Susan** Indeed.
- Maurice** How did you arrange to distribute profits and losses?
- Susan** We share them equally. We hope to be in business for long time.
- Maurice** Nice for you. Now you seem to know a lot about business.
- Susan** Not everything yet but the subject becomes quite technical.
- Maurice** I am glad to hear it. It's time to go now. See you later. Bye.

Active Vocabulary

to be busy with	заниматься чем-либо
to go into business	заниматься бизнесом
to get along well	ладить друг с другом
to attract customers	привлекать покупателей

to make a right choice	сделать правильный выбор
background	зд. рабочий опыт
accounting	бухгалтерский учет
to run a risk	рисковать
to be liable	нести юридическую ответственность
amount of money	сумма (количество) денег
to put an amount of money into business	вложить сумму денег в бизнес
to combine resources	комбинировать ресурсы
advantage	преимущество
to contribute services, skills и НАВЫКАМ	делать вклад, содействовать умениям и НАВЫКАМ
to distribute profits and losses	распределять доходы и убытки
to share	делить
the subject becomes quite	это становится уже делом
texttechnical	техники
deal	сделка

Vocabulary Practice

Exercise 1. Transform the sentences according to the model.

Model: Susan is a woman. She does the books.

Susan is a woman who does the books.

- Partners are people. They have unlimited liability.
- This is my partner. He often runs a risk.
- He is a shop-assistant. He gets along well with all the customers.
- Susan is a partner. She puts a big amount of money into business.
- Jean is my friend. She has the background of accounting.
- Barbara is my partner. She knows how to attract customers.
- Tom is a partner. He is good at selling.
- Jack is my friend. He is a secret partner of my business.
- Helen is my friend. She had supper with Jack in the restaurant.

Exercise 2. Answer the questions.

- What do you want to be busy with?
- Do you want to go into business alone or with a partner?
- With what partner do you get along well? 4. I imagine you run a shop. What will you do to attract customers?
- Do you need to consult a lawyer, to make a right choice when starting the business.
- What is your background?
- Are you a careful person, or do you like to run a risk?
- How can you combine the resources with your partner?

9. What services and skills can you contribute in your business?
10. How will you distribute profits and losses in your partnership?
11. What kind of partner would you like to be: a general partner or a limited partner? Why so?

Exercise 3. Translate into English.

1. Члены правления имеют полную юридическую ответственность.
2. Партнер с ограниченной юридической ответственностью не имеет реальной власти.
3. Секретный партнер принимает участие в управлении, но он не известен общественности.
4. Я хочу вложить деньги в недвижимость.
5. Партнерство имеет много преимуществ.
6. Партнерство часто получает налоговые льготы от правительства.
7. Мы хорошо ладим с партнером.
8. Наше кафе привлекает все больше и больше клиентов.
9. Я сделал правильный выбор. Это дело приносит много прибыли.
10. Мой рабочий опыт связан с менеджментом.
11. Она хорошо разбирается в бухгалтерском деле.
12. Мы вкладываем в дело одинаковый капитал.

Exercise 4. Discuss the following problem: A Joint Venture*. Pro and Con.

*A Joint Venture - совместное предприятие

Exercise 5. Make up the dialogue.

Consult the lawyer how to form a partnership. Use your active vocabulary.

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: I am going into business.

I am not going into business.

1. Your business is receiving the tax benefits.
2. Your partnership is running the great risk.
3. We are getting along quite well with my partner.

4. They are going to be general partners.
5. The partners are sharing profits and losses with each other.
6. Their partnership is losing their profit every month.

Exercise 2. Put up four questions of different types (general, special, disjunctive, alternative) to each sentence.

Model: The partners are getting along quite well.

1. Are the partners getting along quite well?
 2. Why are the partners getting along quite well?
 3. The partners are getting along well, aren't they?
 4. Are the partners getting along well or badly?
1. Jane is doing the books in our firm.
 2. We are putting the same amount of money into business.
 3. My brother is investing his money in the private cafe.
 4. They are distributing the losses unequally.
 5. We are combining resources very well.

LESSON 3

CORPORATIONS**Text**

A business corporation is an institution established for the purpose of making profit. It is operated by individuals. Their shares of ownership are represented by stock certificates. A person who owns a stock certificate is called a stock-holder.

There are several advantages of the corporate form of ownership. The first is the ability to attract financial resources. The next advantage is the corporation attracts a large amount of capital it can invest it in plants, equipment and research. And the third advantage is that a corporation can offer higher salaries and thus attract talented managers and specialists.

The privately owned business corporation is one type of corporation. There are some other types too. Educational, religious, charitable institutions can also incorporate. Usually such corporation does not issue stock and is nonprofit. If there is a profit it is reinvested in the institution rather than distributed to private stockholders.

In some western countries, cities, states, federal government and special agencies can establish governmental corporations. A few examples of the governmental corporations are state universities, state hospitals and city owned utilities. Governmental corporations are nonprofit as a rule and usually they do not issue stock certificates.

Active Vocabulary

Corporation	корпорация
to establish	учреждать
stock certificate	акция
stockholder (shareholder)	акционер, держатель акций
to attract financial resources	привлекать финансовые ресурсы
to offer high salaries	предлагать высокие зарплаты
to attract a large amount of capital	привлекать большой капитал
educational, religious, charitable institutions	образовательные, религиозные, благотворительные учреждения
to issue stock	выпускать акции
nonprofit	неприбыльный
to reinvest	вкладывать еще раз

Comprehension Questions

1. Who can own a corporation?
2. Is a corporation necessarily larger than a sole proprietorship?
3. What are the advantages of the corporate form of ownership?
4. What can you say about the disadvantages of the corporate form of ownership?
5. Do the corporations issue stock to stockholder?
6. What kind of corporations usually don't issue the stock?
7. What world-known corporations do you know?
8. What types of business usually take the corporate form of ownership?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | |
|------------------------------------------------------------------------------------|--------------------------|
| 1. What kind of ... is better: buying stock
or buying real estate? | 1 charitable |
| 2. To attract greater financial ... the
company issues the stock. | 2 stock |
| 3. A university can be ... corporation. | 3 resources |
| 4. The partners didn't put the same ...
into business. | 4 institution |
| 5. The group of people from different
countries are going to ... a corporation. | 5 investment |
| 6. The Red Cross is an international...
organization. | 6 nonprofit |
| 7. I want to buy some ... in IBM and
General Motors. | 7 amount
 of capital |
| 8. An educational..'. usually reinvests
all its money. | 8 to establish |

Dialogue

- Secretary** Good afternoon.
- Steve** Good afternoon. I'd like to see Mr. Jackson. We have an arrangement with him. My name is Mr. Watson.
- Secretary** Just a minute, please. I'll let him know you are here.
- Steve** Thanks.
- Secretary** Mr. Jackson is waiting for you. Do you know where his office is?
- Steve** Oh sure, thank you.
- Jackson** Hello, Steve, it's so nice to see you. Sit down, please.

- Steve** Thanks, Nick. How are you getting on?
- Jackson** Quite all right, thanks. And what about you?
- Steve** Everything is all right too. In fact I want to talk to you about my business.
- Jackson** Oh, I'll be glad to do something for you.
- Steve** Well, Nick. I need some legal advice. John and I are thinking of incorporating.
- Jackson** You are going to expand, aren't you? It seems that your partnership has been doing very well.
- Steve** Oh, yes. We have a success. Now some businessmen are interested in investing with us. So could you explain me what sort of legal procedure I have to follow to form a corporation?
- Jackson** At first you have to apply for a corporate charter.
- Steve** Well?
- Jackson** Let me get this straight. You want to issue and sell stock in exchange for investment capital, don't you?
- Steve** Exactly.
- Jackson** After you obtain the charter the stockholders, as owners, hold a meeting to organize the corporation.
- Steve** Does that mean we elect our Board of Directors, adopt bylaws and choose the company's officers?
- Jackson** That's what I mean. Though the officers of the company supervise daily management, the stockholders always have final authority. They vote at annual meetings.
- Steve** Yes, I see it. By the way, does a corporation have limited liability?
- Jackson** It does. It also has the right to own property, to buy and sell and right to sue and be sued.
- Steve** I see. The corporation acts like a person. It has the right of an individual.
- Jackson** You are right.
- Steve** O.K. Why don't we get together for a game of golf one day next week?

Active Vocabulary

bylaws	юридические положения для предприятий
I need some legal advice	мне нужен юридический совет
to incorporate	соединяться, объединяться
to invest	вкладывать деньги
to expand	расширяться (о производстве)
to follow a legal procedure	следовать юридической процедуре

to apply for a corporate charter	подавать	заявление	на
корпоративный патент			
to issue and sell stock	выпускать и продавать	акции	
in exchange for investment capital	взамен на вложенный	капитал	
stockholder, shareholder	акционер, держатель	акций	
to hold a meeting	проводить	собрание	
to elect a board of directors	проводить собрание	директоров	
to choose the company's officers	выбирать административных	исполнителей	компании
to have a final authority	иметь решающее	слово	
to supervise daily management	осуществлять	ежедневное	руководство
to vote	голосовать		
annual meeting	ежегодное	собрание	
to have limited liability	иметь	неограниченную	юридическую ответственность
to own property	владеть	собственностью	
to sue	возбуждать	судебное дело	
to be sued	подвергаться	судебному разбирательству	

Vocabulary Exercises

Exercise 1. Transform the sentences according to the model.

Model: We are the company officers.

We supervise daily management.

We, as the company officers, supervise daily management.

1. My friends are the stockholders of IBM corporation. They hold annual meetings.
2. These businessmen are the organizers of this corporation. To issue and sell stock in exchange for investment capital.
3. A corporation is the owner of the property. It has limited liability.
4. Dick is a manager. He wants to form a corporation.
5. A corporate charter is a certificate of incorporation. A charter is granted by a state officer.
6. The stockholders are the owner of the corporation. They have final authority in management of the company.
7. The owners of the corporation are the stockholders. The owners of the corporation must vote.

Exercise 2. Transform the sentences according to the model.

Model: We organized our corporation a year ago (to invest much money).

We have been investing much money since we organized our company.

1. They became company officers (to supervise daily management).
2. My friend bought the stock of the company five years ago (to make money).
3. They received the corporate charter a month ago (to plan a meeting).
4. We advertised the application last week (wait for reply).
5. He became a member of the Board of Directors (work hard).
6. We elected a new Board of Directors last month (plan change).

Exercise 3. Answer the questions.

1. In what corporation would you invest money?
2. What legal procedure do you have to follow if you want to form a corporation?
3. Who has final authority and supervises the daily management of a corporation?
4. How often do the stockholders choose the company officers?
5. The stockholders have unlimited liability, don't they?
6. In what way can a corporation act?
7. What do you think about the possibilities of forming corporations in this country?
8. In what spheres of industry is a corporate form of proprietorship the most beneficial in this country?

Exercise 4. Translate into English.

1. Корпорация может выпускать и продавать акции.
2. Корпорация может предлагать более высокую заработную плату.
3. Корпорация имеет больше возможностей для вовлечения финансовых ресурсов, чем партнерство.
4. Каждый год акционеры проводят собрание.
5. Образовательные, благотворительные, религиозные учреждения могут быть корпорациями. Подобные учреждения, как правило, не приносят прибыль.
6. Эта корпорация прибыльна, она будет расширяться.
7. Сначала вы должны подать заявление на корпоративный патент.
8. Акционеры имеют решающее слово в управлении корпорацией.
9. Административные исполнители кампании осуществляют постоянное руководство.

10. Владельцы акций проводят ежегодное собрание и выбирают совет директоров.

11 .Корпорация имеет право возбуждать уголовное дело.

Exercise 5. Make up the dialogue.

1. Ask a lawyer how to form a corporation.
2. Discuss with your friend advantages and disadvantages of a corporate form of proprietorship.
3. Advertise a corporate form of proprietorship.

Grammar Exercises

Exercise 1. Put up 4 questions of 4 types (general, special, disjunctive, alternative) to each sentence.

Model: The stockholders have held the annual meeting.

1. Have the stockholders held the annual meeting?
 2. What have the stockholders done?
 3. The stockholders have held the annual meeting, haven't they?
 4. Have the stockholders held a meeting or a conference?
1. The partners have applied for a corporate charter.
 2. The stockholders have voted at the annual meeting.
 3. The company has issued the additional stock.
 4. They have invested all their money in this company.

LESSON 4

THE FUNCTIONS OF AN EXECUTIVE**Dialogue**

Anna is having lunch with her sister Barbara. Anna has just accepted a position as an Administrative Assistant. Her boss is an executive with a firm that manufactures heavy machinery used in construction.

Barbara You've got a new job, Anna. My congratulations.

Anna Thanks, Barbara.

Barbara Tell me a few words about your boss. What does he do?

Anna Well, he is one of the vice presidents of the company, so he's rather important. He is an executive.

Barbara Do you know the difference between an executive, a manager and an administrator?

Anna I am afraid I can hardly tell you the difference. I think these words are interchangeable and they really aren't different in many companies.

Barbara What about your company?

Anna In our company the top officers are called administrators. The next highest group - the vice presidents, the heads of major departments and branch plant managers - are executives like my boss.

Barbara Is that all?

Anna The group below consists of managers, they are general managers and foremen.

Barbara So I see that an organization has a number of positions and some people have more authority than others.

Anna You are right.

Barbara But it would be interesting to know more about the functions of an executive like your boss.

Anna I'd say he makes a lot of important decisions. He sets objectives, coordinates work, delegates authority, makes hiring, firing, evaluating and just general leading.

Barbara It seems to be important.

Anna It is important. It's evident that making careful decisions is the basis of good management.

Barbara But do, you work under much pressure?

Anna Barbara, you know I am quite used to working under pressure from my last job. I am also accustomed to lots of paper work and red tape.

Barbara Good for you.

Anna And what's more important I feel that I can learn a lot because my boss is very competent.

Barbara Good, I think we'd be in a hurry not to get late for the work.

Active Vocabulary

an executive manager	руководитель, администратор
an administrator	управляющий, администратор
vice president	управляющий, администратор
head of department	вице-президент
foreman	руководитель отдела
position	мастер, руководитель
to set objectives	должность
to delegate authority	ставить цели
to work under pressure	распределять обязанности
red-tape	работать по принуждению
to be competent	зд. бюрократическая, канцелярская работа
	быть компетентным

Vocabulary Exercises

Exercise 1. Transform the sentences according to the model.

Model: I'm accustomed to setting objectives.

I'm used to setting objectives.

1. We are accustomed to having unlimited liability.
2. He is accustomed to delegating authority.
3. They are accustomed to firing and hiring people.
4. She is accustomed to working as a head of the department.
5. You are accustomed to working under pressure.
6. The executive is accustomed to making decisions.

Exercise 2. Change the modal verb according to the model.

Model: We ought to set objectives this month.

We should set objectives this month.

1. They ought to talk about the functions of an executive.
2. A manager ought to make careful decisions.
3. An executive ought to be very competent.
4. A vice president ought to decide on hiring, firing, vacation, hours.
5. The board of directors ought to plan objectives and changes.
6. They ought to have a meeting with a head of the department.

Exercise 3. Your executive is a very tough man. What should his staff do to please him?

For ideas:

to be creative - быть с творческим отношением к делу

to be well-organized - быть хорошо организованным

to keep fit - держать себя в форме

to be punctual - быть пунктуальным

to be enthusiastic - быть энтузиастом

to obey the rules - подчиняться правилам

Exercise 4. Answer the questions.

1. What working position is the best for you?
2. Are you accustomed to working under pressure?
3. Are you accustomed to a red-tape job?
4. Do you want to be an executive or an administrator of the big company? What should you do for it?
5. What qualities do you need to be an executive .of the company?
6. What does it mean to be a competent manager?

Text

WHERE AND HOW TO HIRE AN EMPLOYEE?

An employer has several options to consider when he wants to hire a new employee. First of all, he may look within his own company. But if he can't find anybody suitable for the position he will have to look outside the company. If there is a personal office in the company, he can ask them to help him to find a qualified applicant. The employer can also use another valuable sources, for example, employment agencies, consulting firms, placement offices and professional societies. He can also advertise in a newspaper or in a magazine and request candidates to send in resumes.

The employer has two sets of qualifications to consider if he wants to choose from among the applicants. He must consider both professional qualifications and personal characteristics. A candidate's education, experience and skills are included in his professional qualifications. These can be listed on a resume. Personal characteristics, or personality traits must be evaluated through interviews.

Active Vocabulary

an option -	выбор
an employer -	наниматель, работодатель
an employee -	служащий, работающий по найму
to consider -	рассматривать, принимать
внимание	во
to be suitable for the position -	соответствовать должности

personnel office -	отдел кадров
an applicant -	кандидат на должность
valuable source -	ценный источник
employment agency -	агентство по найму
consulting firm-	консультационная фирма
to advertise-	помещать объявления, рекламировать
resume -	резюме
two sets of qualifications -	два вида характеристик
experience -	(рабочий опыт)
to evaluate through interviews -	оценивать через интервью

Comprehension Questions

1. Which options should an employer first consider when he wants to hire a new employee?
2. What service does a personnel department provide?
3. In what way can be the new employees be found outside one's company?
4. What qualifications does the employees consider in choosing an employee?
5. What is meant by "professional qualification" for a job?
6. What personal characteristics does the administrator consider when choosing an employee?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

1. We are going to interview three ... |
or the position. | 1 to advertise
- 2.If you need applicants for this po- |
sition, ... in a special section of the |
local newspaper. | 2 resume
3. Personnel office will help you to |
find a new... | 3 employee
4. All the information about the staff |
of the firm can be found in ... | 4 applicant
5. She has a good ... for the position: |
a college degree, good work experience. | 5 personnel office
- 6.I want to find a new secretary, |
so I'll call an employment... | 6 qualification
7. If you are an applicant for the |
I position, you have to write your ... | 7 agency
8. Don't ask him ... questions, it will |
be impolite. | 8 personal

Exercise 2. Translate into English.

1. Его должность в компании очень важна.
2. Администратор ставит цели, принимает на работу, увольняет.
3. Она не любит работать по принуждению.
4. Я привычен к канцелярской работе.
5. Управляющий должен быть компетентным.
6. Руководитель этой группы - очень талантливый специалист.
7. Нам нужно нанять нового служащего.
8. Поместите объявление в газету.
9. Этот руководитель с большим опытом.
10. Мы должны рассмотреть два вида характеристик.
11. Кандидаты на должность должны послать резюме.
12. Вы найдете всю информацию в отделе кадров.
13. Обратитесь в агентство по найму.
14. Наниматель должен обратиться в консультационную фирму.

Grammar Exercises

Exercise 1. Put the verbs in brackets into the proper present tense (Present Indefinite, Present Continuous or Present Perfect).

1. The vice president usually do set) objectives for the staff.
2. Don't disturb me, please, I (to work) with annual report.
3. This firm often (to advertise) in different newspapers and magazines.
4. We advertised in the special section of the newspaper but we (not to receive) the resumes yet.
5. We (to evaluate) already the candidates through the interview.
6. We (to look for) a specialist suitable for the position at the present moment.
7. He (to sent) just his resume and the letter of interest.
8. They (to fire) the manager. He was not suitable for the position,
9. You have to wait a little. He (to consult) with the executive.

Additional Exercise

If you decide to apply for a Job in the western countries, you will probably need to form two documents: a letter of interest and a resume. This is the way how to do it. Read the letter of interest and a resume and try to write your own document of the same kind.

a) a letter of interest

Dear sir or madam!

I graduate from Tver state university in 1985. Now I am finishing my post-graduate studies to defend my candidate I thesis this winter. My major is called the theory of literature, which includes the study of the history of Russian and foreign literature.

I am interested in working in the Russian department of your university as a teacher of Russian and Russian literature for the school year 1991 - 1992. In high school I gained experiences teaching Russian in foreign students. In your department I could assist in the teaching of grammar, conduct a class in Russian conversation or give lectures on Russian literature.

If you are interested please write me at the above address, I will look forward to hearing from you.

Sincerely,
Ivanov I.I.

b) a resume

EDUCATION Tver State University, Faculty of Modern Languages, English Department (1983). Tver State University. Post-graduate studentship (1990).

EXPERIENCE Tver State University. The Department of Foreign Literature. I deliver lectures on European Literature of the 17-18th centuries (Fall 1988 - present). Tver State University. The Department of Russian Literature. Lecturer on Russian Literature of the 19- 20 centuries at the Preparatory Department (Fall 1988 - summer 1990). Tver State University. Summer Courses of Russian Language for Foreign Students. Teacher of Russian Language (Summer 1989, 1990). Tver State University. The Department of Foreign Languages for Humanities. Teacher of English (1986-1988). Tver secondary school teacher of English, German, Literature (1983-1986).

ACTIVITIES Interconnect Cooperative Firm. Courses of intensive studies of foreign languages. Teacher of English (Fall 1989 - present). Tver Slate University Exchange Program bw. Tver and

Eastern Washington Universities. Tutor of american post-graduates in Russian conversational skills (Fall 1989 – winter 1990). Private English lessons (Fall 1989 - present).

PUBUCATI0NS I am the author of 6 articles published in different editions of collections of articles. The topic of these publications is connected with folk and romantic British balladry. This is the subject of my candidate thesis which I am going to defend this am going to defend this winter.

LANGUAGES Russian (native language), English, German.

LESSON 5 LINE AND STAFF POSITIONS

Text

In business, organization structure means the relationship between positions and people who hold the positions. Organization structure is very important because it provides an efficient work system as well as a system of communication.

Historically, line structure is the oldest type of organization structure. The main idea of it is direct vertical relationships between the positions and tasks of each level, and the positions and tasks above and below each level. For example, a sales manager may be in a line position between a vice-president of marketing and a salesman. Thus a vice president of marketing has direct authority over a sales manager. A sales manager in his turn has direct authority over a salesman. This chain of command simplifies the problems of giving and taking orders.

When a business grows in size and becomes a more complex, there is a need for specialists. In such case administrators may organize staff departments and add staff specialists to do specific work. These people are usually busy with services, they are not tied in with the company product. The activities of the staff departments include an accounting, personnel, credit and advertising. Generally they do not give orders to other departments.

Active Vocabulary

relationship -	взаимоотношение
to hold a position -	занимать должность
organization structure -	организационная структура
level -	уровень
sales manager -	управляющий по торговле маркетингу
salesman	продавец, торговец
to have direct authority over smb.	иметь прямую власть над кем-либо
staff	штат
o give orders	отдавать приказы
o take orders	принимать приказы
a line department	линейный отдел (имеющий непосредственное отношение к конечному продукту)
staff department	штабной отдел (не имеющий прямого отношения к производству, но его обслуживающий)
to be tied in with the company	иметь отношение

product	к конечному продукту
complex	сложный

Comprehension Questions

1. What does the organization structure mean?
2. What does the organization structure provide?
3. What is historically the oldest type of organization structure?
4. In what position is a salesmanager in attitude to a vice-president of marketing and a salesman?
5. What is the difference between line and staff departments?
6. Why is an advertising department or a credit department considered staff structure rather than line structure?

Vocabulary Practice

Choose the necessary word and put it in the sentence.

- | | |
|-----------------------------------------------------------------------------------------------|---------------------------|
| 1. Organization structure shows ...
between each position and positions
above and below |
 1 relationships |
| 2. A sales manager has direct...
over a salesman. |
 2 to hold a position |
| 3. As a rule a ... usually does not give
orders to other departments. |
 3 authority I |
| 4. When the business gets more ...
there is a need for staff departments. |
 4 complex |
| 5. My friend of sales manager. | 5 task |
| 6. The ... of staff departments is to do
different services. |
 6 a line department |
| 7. My friend works in a he is
responsible for the company product. | 7 a staff
 department |

Dialogue

Peggy Forman is talking with Jaff Downing, another administrative assistant in her company.

Gaff How are you today, Peggy?

Peggy Oh, fine, thanks.

Gaff Glad to hear that. By the way, are you familiar with the organizational chart for the company?

Peggy No, I am not. What is it like actually?

Gaff Well, the chart shows how the employees are divided into groups. It gives one an overview of the chain of command in the company.

Peggy I see. The positions can be line and staff ones.

- Gaff** Yes. The subject is not new to you. What else do you know about it?
- Peggy** As far as I know a worker in a line position receives orders from his immediate *subordinate*.
- Gaff** Exactly, that's the line chain of command.
- Peggy** A worker in a staff position reports directly to a line worker but he neither gives nor receives orders for line workers. Am I right?
- Gaff** Yes, you are. But someone may have line authority over people in his department and not be considered a line administrator.
- Peggy** How can it be?
- Gaff** That's possible when a whole department is a staff department. For example, in our company the head of the credit department or the personnel department can hardly ever be president of the company.
- Peggy** And what do the people in staff departments do, how is their work different?
- Gaff** Well, they are usually busy with services and they could do the same service for any company. So they are not in the line.
- Peggy** It seems to be rather complicated.
- Gaff** It only seems so. I think the chart should help.
- Peggy** Oh, sure. But, Gaff, would you explain me what span of control is?
- Gaff** Oh, span of control refers to the number of people whom one managers directly.
- Peggy** Can you give me an example?
- Gaff** Well. The President of our company directly managers the Vice President of Production, the Vice President of Marketing and the Comptroller. Thus, his span of control includes three people.
- Peggy** Yes, now I see. Thank you for your help.
- Gaff** Not at all. Why don't we go to the offer stall and have a snack together?

Active Vocabulary

organizational chart	организационная схема
line position	линейная должность
staff position	штабная должность
immediate superior	непосредственный начальник
immediate subordinate	непосредственный подчиненный
line chain of command	линейная структура подчинения
to report	зд. сообщить
credit department	кредитный отдел
span of control	сфера непосредственного подчинения
vice-president of production	вице-президент по производству

vice-president of marketing вице-президент по сбыту
 comptroller главный финансист

Vocabulary Exercises

Exercise 1. Give affirmative and negative answers to the questions.

Model: Have you examined the organizational structure of the company yet?

Yes, I have already examined it. No, I haven't examined it yet,

1. Have you reported to the comptroller yet?
2. Have you settled this problem with the manager yet?
3. Have you learned line and staff positions of the company yet?
4. Have you got acquainted with your immediate superior yet?
5. Have you heard about his span of control yet?
6. Have you met your immediate subordinates yet?
7. Have you passed your report to the credit department yet?

Exercise 2. Change the sentences according to the model.

Model: A staff employee doesn't give orders.

A staff employee doesn't receive orders.

A staff employee neither gives, nor receives orders.

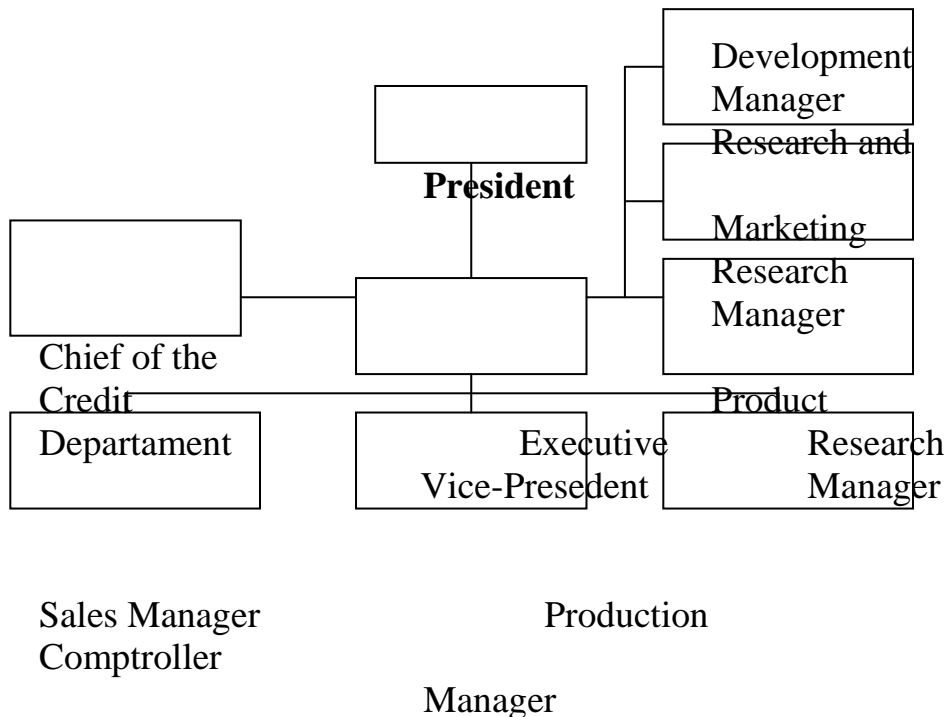
1. He isn't a Comptroller. He isn't a sales manager.
2. The head of the credit department doesn't advise the President. The head of the credit department doesn't report to comptroller.
3. He doesn't want to hold a position of vice-president of marketing. He doesn't want to hold a position of general manager.
4. A credit department doesn't have direct authority over a line department. A personnel department doesn't have direct authority over a line department.
5. I don't want to talk with the Boss. I don't want to talk with the Controller.
6. She doesn't like to give orders. She doesn't like to receive orders.
7. Jacky doesn't want to attend annual meeting of shareholders. Susan doesn't want to attend annual meeting of shareholders too.

Exercise 3. Answer the questions.

1. What is your relationship with your immediate superior?
2. What position in your company do you want to hold?
3. Do you want to be a sales-manager or a vice president of marketing? Give your reasons.

4. Over what positions do you have direct authority in your company?
 5. What do you like more: to give orders or to receive orders?
 6. Do you want to work in a staff department or in a line department?
- Give your reasons.

Exercise 4. Have a look «it the organizational chart of the company.



What line and staff positions can you discern? Speak about the organizational structure of this enterprise.

Exercise 5. Translate into English.

1. Мои взаимоотношения с начальником очень хорошие.
2. Мой друг занимает должность главного финансиста.
3. Я не знаком с организационной структурой нашего предприятия.
4. Он больше любит отдавать приказания, чем получать их.
5. Я предпочитаю работать в линейном отделе.
6. Штабные отделы не связаны с конечным продуктом.
7. Структура нашего предприятия сложна.
8. Я больше подхожу к штабной должности, чем к линейной.
9. Мой непосредственный начальник очень пунктуален.
10. В сферу моего непосредственного подчинения входят три руководителя групп.
11. Главный финансист имеет очень большую ответственность.
12. Я уволю моего непосредственного подчиненного. Он ленив.

Grammar Exercises

Exercise 1. Transfer the sentences from Active into Passive.

Model: The manager examines organizational structure of the firm.

Organizational structure of the firm is examined by the manager.

1. Vice-president gives orders to his employees.
2. I receive orders from the sales-manager.
3. My friend holds a position of general manager.
4. Personnel office receives resumes from prospective candidates.
5. Staff departments do different services to line departments.
6. He takes (he orders and fulfils the task very quickly usually).

Model: My friend is examining the organizational chart. The organizational chart is being examined by my friend.

1. I am sending my annual report to my immediate superior.
2. The foreman is firing his immediate subordinate.
3. Comptroller is giving the orders to his employees.
4. We are changing the organizational structure of our company.
5. The board of directors is enlarging the staff, of the company.

Model: I have invested my money in real estate. My money has been invested in real estate.

1. We have considered advantages and disadvantages of partnership.
2. I have bought the shares of IBM company.
3. This business has involved big financial resources.
4. We have elected the board of directors.
5. The board of directors have chosen the company officers.

LESSON 6

ACCOUNTING

Text

Accounting shows a financial picture of the firm. An accounting department records and measures the activity of a business. It reports on the effects of the transactions on the firm's financial condition. Accounting records give a very important data. It is used by management, stockholders, creditors, independent analysis, banks and government.

Most businesses prepare regularly the two types of records. That is the income statement and balance sheet. These statements show how money was received and spent by the company.

One major tool for the analysis of accounting records is ratio analysis. A ratio analysis is the relationship of two figures. In finance we operate with three main categories of ratios. One ratio deals with profitability, for example, the Return on Investment Ratio. It is used as a measure of a firm's operating efficiency.

The second set of ratios deals with assets and liabilities. It helps a company to evaluate its current financial position. The third set of ratios deals with the overall financial structure of the company. It analyses the value of the ownership of the firm.

Active Vocabulary

accounting	бухгалтерский учет
record	документ, запись, протокол
to record	записывать, регистрировать
to measure	измерять
transaction	сделка, банковская операция
firm's financial condition	финансовое положение фирмы
to provide data	обеспечивать данными
creditor	кредитор
independent	независимый
income statement	отчет о доходах
balance sheet	балансовый отчет
to receive	получать
to spend	тратить
ratio analysis	анализ коэффициентов
profitability	прибыльность
Return on Investment Ratio	коэффициент возвращения инвестиций
efficiency	эффективность, производительность

to evaluate	оценивать
value	ценность, стоимость
ownership	собственность
overall financial structure	полная финансовая структура

Comprehension Questions

1. What is the purpose of accounting?
2. Who uses the data provided by accounting firms?
3. What are the two types of records which most businesses prepare?
4. What can you know analyzing the income statement and balance sheet of a company?
5. What is the purpose of the ratio analysis?
6. What categories of ratios in finance do you know?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | | |
|------------------------------------------------------------------------------------|--|---------------|
| 1. An accounting helps ... the activity of a business | | 1 to profit |
| 2. Do you know the effect of your last.. on financial condition of the firm? | | 2 profit |
| 3. Accounting records provide ... for stock-holders, independent analysts. | | 3 efficiency |
| 4. The second type of ratio helps the company its current financial position. | | 4 ownership |
| 5. 'L is one' the two main records which most of the businesses prepare regularly. | | 5 to evaluate |
| 6. The....of the company includes real estate in California | | 6 transaction |
| 7. I am sure of the ... of this transaction. | | 7 data |
| 8. Our company's current... is very high. | | 8 income |
| 9. They ... from the association with that corporation. | | 9 to measure |

Dialogue

(Peter and Karen work in a large company. They are having dinner in the company cafe).

Peter Hi, Karen. Glad to meet you. You looked very busy this morning. There were so many statements on your table.

Karen Oh, Peter. This is the end of the year. The accounting department is very busy;

Peter I know. We are all very busy, totaling accounts.

But I've already turned in she report on my department. Karen Good.

Peter So, how's business.

Karen I don't know everything. I am busy with some records and statements. I don't have the whole picture. But I think the company is doing very well.

Peter I am sure of it. We have to keep our creditors and investors happy.

Karen Well, the balance sheet and profit and loss statement are ready. It is the end of the fiscal year. So everybody can check out the assets and liabilities, net worth and profit position of the company in the financial statements.

Peter Do you work with the pay checks.

Karen Why are you asking?

Peter I thought you could explain me the big difference between my gross pay and my net take-home pay.

Karen The explanation takes only one word-taxes. Actually the salaries are done through the computer.

Peter Really? **Karen** Sure. We can't handle any volume in a large company without computers.

Peter You are right. Thank you for very interesting information.

Karen Oh, it's my pleasure. Let's go to get some dessert.

Active Vocabulary

accounting department	бухгалтерский отдел
to total accounts	суммировать счета
to turn in the report	сдать отчет
creditor	кредитор
investor	инвеститор
profit and loss statement	отчет по прибыли и убыткам
assets and liabilities	актив и пассив
net worth	а) стоимость имущества за вычетом
обязательств	б) собственный капитал предприятия
a financial statement	финансовый отчет а
pay check	платежный чек
gross	валовый, брутто
gross pay	плата с вычетами
net	чистый, нетто
net pay	плата без вычетов
tax	налог
salary	зарплата
fiscal year	фиксальный (бюджетный) год

Vocabulary Exercises

Exercise 1. Have a look at the structure.

Can you turn in the report in time?

No, I can't turn in the report but I could when I worked in the other department.

1. Can they check the assets and liabilities?
2. Can you keep the investors and creditors, happy?
3. Can you explain the difference between gross pay and net take-home pay?
4. Can he compute the taxes?
5. Can we prepare profit and loss statement?
6. Can the company pay the salaries in time?
7. Can I operate the computer?

Exercise 2. Imagine that you work as an accountant in a big enterprise. Answer the following questions.

1. Do you total the accounts at the end of the fiscal year?
2. What are your usual activities at the end of the fiscal year?
3. When do you prepare a financial statement?
4. Why should you have more assets than liabilities?
5. Does the accounting department work on taxes?
6. What is the difference between your gross salary and net salary?
7. Is the difference between gross salary and net salary big in this country? What does this difference depend on?

Exercise 3. Make up the dialogue about accounting:

- a) between an experienced accountant and a university graduate who has just begun to work as an accountant;
- b) you are an employer and you want to hire an accountant, find out if he/she is experienced enough in accounting.

Exercise 4. Translate from Russian into English.

1. Бухгалтерский учет представляет данные для кредиторов и вкладчиков. 2. Они готовят отчет о доходах и балансовый отчет в конце финансового года. 3. Мы определяем эффективность производства с помощью анализа коэффициентов. 4. Недвижимость является собственностью корпораций. 5. Мы проверим актив и пассив и определим стоимость имущества за вычетом обязательств. 6. Мы платим большие налоги. 7. Сколько ты получаешь без вычетов?

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: I worked as an accountant in a big corporation.

I didn't work as an accountant in a big corporation.

1. An accounting department reported on the effects of the transactions.
2. They studied carefully income statement and balance sheet.
3. We used ratio analysis to determine the firm's operating efficiency.
4. The accountants checked the assets and liabilities.
5. The accounting department provided data for the management.

Exercise 2. Put up for questions of different types to each sentence (general, special, disjunctive, alternative).

Model: The accounting department regularly prepared the income statement and balance sheet.

1. Did the accounting department regularly prepare the income statement and balance sheet?
 2. What did the accounting department regularly prepare?
 3. The accounting department regularly prepared the income statement and balance sheet, didn't it?
 4. Did the accounting department prepare the income statement or a financial statement?
1. The board of directors checked out assets liabilities and net worth.
 2. He worked as a Controller of the company for two years.
 3. The applicants sent their resumes and letters of interest.
 4. She used to do books in a big company.
 5. Some governmental corporations issued stock certificate.

LESSON 7

CORPORATE FINANCE**Text**

Corporations need financing for the purchase of assets and the payment of expenses. The corporations can issue-shares in exchange for money property. Sometimes it is called as equity funding. The holders of the shares form the- ownership of the company. Each share is represented by a stock certificate, which is negotiable. It means that one can buy and sell it. The value of a share is determined by the net assets divided by the total number of shares outstanding. The value of the share also depends on the success of the company. The greater the success, the more value the shares have.

A corporation can also get capital by borrowing. It is called debt funding. If a corporation borrows money, they give notes or bonds. They are also negotiable. But the interest has to be paid out whether business is profitable or not.

When running the corporation, management must consider both the outflow and inflow of capital. The outflow is formed by the purchase of inventory and supplies, payment of salaries. The inflow is formed by the sale of goods and services. In the long run the inflow must be greater than the outflow. It results in a profit. In addition, a company must deduct its costs, expenses, losses on bad debts, interest on borrowed capital and other items. It helps to determine if the financial management has been profitable. The amount of risk involved is also an important factor. It determines the fund raising and it shows if a particular corporation is a good investment.

Active Vocabulary

purchase -	покупка, купля, приобретение
payment of expenses -	оплата расходов
properly -	собственность, имущество
equity funding -	акционерный (долевой) способ образования денежного фонда предприятия
debt funding предприятия	образование денежного фонда с помощью займа
holders of the shares -	держатели акций
stock certificate -	сертификат акций

negotiable - переуступленным,	оборотный,	могущий	быть
net assets -	купленным, проданным	стоимость имущества за вычетом обязательств	
bond -	долговое обязательство,	облигация	
note -	зд. долговая расписка		
interest -	доля, фиксированный процент		
to pay out -	выплачивать		
to run a corporation -	руководить корпорацией		
inflow -	приток (зд. денег)		
outflow -	утечка (зд. денег)		
inventory - запасы,	материально-	производственные	
supplies -	инвентарь		
debt -	ресурсы		
goods -	долг		
	товары		

Comprehension Questions

1. Why do all corporations need financing?
2. What does equity funding mean?
3. What does debt funding mean?
4. How is the value of a share determined?
5. What activities produce an inflow and outflow of capital?
6. What can happen if an enterprise has a greater outflow of capital than an inflow?
7. Why is the risk involved an important factor in determining fund raising?

Vocabulary Practice

Choose the necessary word and put it in the sentence.

1. ... funding is a financing formed by borrowing. | 1 equity
2. They have borrowed much money and they have to pay a big ... | 2 negotiable
3. Financing by shares is called... funding. | 3 interest
4. That is a very profitable deal, for that purpose we need extra ... | 4 inventory
5. You can sell your shares and ... They are... | 5 funding
6. The current assets of a company usually include cash and ... | 6 inflow
7. ... | 7 bond

7. As a result of this deal we'll have greater ... than outflow. |
| 8 debt

Dialogue

Mary It's so me," to see you, Frank. Sorry, I couldn't come to your office today.

Frank Never mind. Have a seat. Let's start by having some coffee. Later.

Mary So Frank. I guess it might be right time for me to invest in that computer company. As my stockbroker, what can you suggest?

Frank I am sure they are doing extremely well and they would welcome your investment.

Mary But why do they need my investment if they are doing so well?

Frank O.K. I think I should explain you a little about a corporate finance.

Mary Go ahead. If it concerns my money I am always interested.

Frank If a corporate enterprise wants to expand it needs financing.

Mary You are right.

Frank So there are two basic types of financing: equity and debt.

Mary What's the difference between them?

Frank If the money is supplied by the owners of a business it is called equity funding. And the use of money supplied by loans is called debt funding.

Mary So as investor, what am I?

Frank Well, as an investor you become a partial owner of a business and receive equity. You get 5 shares or certificates of common stock which represent your portion of ownership.

Mary You did right buying the stock for me. By the way, are there any documents which show the financial state of the company?

Frank Oh yes. You've reminded me. I've brought a copy of the company's Annual Report for you to look over. You should read it very carefully. And if you have something to ask do it, please.

Mary Thanks a lot, Frank. I will. Does this company pay dividends on its stock?

Frank Yes. In fact, I studied their Annual Report and I can tell that they have good management. Their business is doing very well, the value of their stock has been rising. It can be an excellent long-term investment, I am sure.

Mary But if I want to sell my shares very soon?

Frank No problem. Undoubtedly you can make a profit on the sale. But it seems to me you'll want to keep this company in your portfolio.

Mary Thank you for your advice. You are wise as usual.

Frank Well, my advice now is to study the company's Annual Report. You need several days for that. Then we'll meet and talk again.

Active Vocabulary

a stockbroker -	биржевой маклер
if it concerns Seth	если речь идет о чем-либо
loan -	заем, ссуда
partial owner -	совладелец
Annual Report -	годовой отчет
to pay dividends -	платить дивиденды
long-term investment -	долгосрочный вклад
to make a profit on the sale -	получить прибыль при продаже

Vocabulary Exercises

Exercise 1. Make up a sentence according to the model.

Model: How should the company pay the expenses? (borrow from the government. The company should pay the expenses by borrowing from the government.

1. How can we form an equity funding? /issue shares/.
2. How can a business sell more shares of stock? /offer a dividend/.
3. How should we know about the financial state of the company? /look over the Annual Report/.
4. How should he invest his savings? /buy common stock/.
5. How should they make people buy their bonds? /increase the interest/.
6. How can this company make a profit? /raise investment capital/.

Exercise 2. Notice the sentence from the dialogue. You need several days for that. Use this structure to respond the following sentences.

Model: It takes a month to sell the bonds. You need a month to sell the bonds.

1. It will take a half of the year to pay off the debts.
2. It takes her several days to count up net assets.
3. It won't take the company much time to repay the loan.
4. It will take him the rest of his life to learn how to run the corporation.
5. It takes them two days to sell the goods.
6. It will take them much time to decrease the outflow.

7. It will take him a month to raise the capital.

Exercise 3. Answer the questions.

1. What kind of funding is preferable: equity or debt?
2. What shares of what enterprises of your town would you buy?

Explain why.

3. Imagine that your business is going to get capital funds by borrowing. What bond interest would you charge? Explain why.
4. What should you do to produce more inflow of capital?
5. How can you calculate the net assets of your enterprise?
6. What traits of character does a stockbroker need?

Exercise 4. Translate from Russian into English.

1. Наше предприятие нуждается в денежных фондах для покупки оборудования.

2. Я предпочитаю акционерный способ образования денежного фонда предприятия. Он привлекает большее количество капитала.

3. Акции и облигации могут быть переуступлены, куплены, проданы.

4. Я хочу купить десятипроцентные облигации.

5. Мы намерены выплатить все долги к началу финансового года.

6. Ты получишь хорошую прибыль при продаже этих товаров.

7. Он является совладельцем компании SONY.

8. Покупка акций этой компании - хороший долгосрочный вклад.

9. Если речь идет о моих деньгах, я изучу годовой отчет компании.

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: This bank was making loans to corporations during two months last year. This bank wasn't making loans to corporations during two months last year.

1. They were discussing the possibility of the purchase of inventory from 5 till 6 p.m. yesterday.

2. He was running the corporation during two months.

3. During our last classes the lecturer was speaking about equity funding.

4. Our accountant was calculating assets liabilities and net worth two days before yesterday.

5. They were electing the new Board of Directors for two hours at their annual meeting.

Exercise 2. Put up four questions of different types (general, special, disjunctive, alternative) to each sentence.

Model: The company was doing extremely well when he was the manager.

1. Was the company doing extremely well when he was the manager?

2. When was the company doing extremely well?

3. The company was doing extremely well when he was the manager, wasn't it?

4. Was the company doing well or badly when he was the manager of the company?

1. I was examining the Annual Report when Mr. Stevenson called on me.

2. She was making a profit on the sale of the goods till she could get them.

3. He was holding a position of a stockbroker when I met him last year.

4. The shop was attracting many customers, when it was supplied by famous companies.

5. They were investing money in this business for two years.

LESSON 8

BANKS AND BUSINESS**Text**

Banks are different in different countries. Let's speak about the banks in the United-States of America. Their commercial banks are classified into two main groups. First, there are national banks. They are chartered and supervised by the Federal Government. Secondly, there are state banks. They are chartered and supervised by the state in which they are operated. All commercial banks can make loans to borrowers

Major commercial banks in such cities as Tokyo, Paris, Rio cooperate with each other. In this way they finance imports and exports between countries.

An importer buys merchandise from another country using the currency of that country. For that purpose he buys this currency from the foreign exchange department of his bank. And in the same way if an exporter receives foreign money from sales to other countries, he sells this currency to his bank. By this method the currency of any country can usually be exchanged.

Active Vocabulary

commercial bank -	коммерческий банк
national bank -	национальный банк
to charter -	учреждать, создавать
to supervise -	заведовать, контролировать
state bank -	государственный банк
merchandise -	товары
currency -	валюта, деньги
foreign exchange department-	отдел обмена валюты
to exchange currency -	обменивать валюту

Comprehension Questions

1. What do all commercial banks do?
2. What kinds of commercial banks in the USA do you know? What are they called?
3. Who supervises the operations of national bank?
4. What kind of currency does an importer generally use when he buys goods from another country?
5. What do you know about the "international exchange"?
6. What is the currency of this country called?

7. What is the exchange rate between your currency and the currency of the USA and Germany? How can you find it out if you don't know it?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | |
|--------------------------------------------------------------------------------------------------------|--------------------|
| 1. Federal government..... and all national banks. | 1 merchandise |
| 2. International cooperation between banks makes it possible imports and exports. | 2 currency |
| 3. It is possible to convert American dollars to Swiss francs in department. | 3 commercial |
| 4. The of Germany is the mark. | 4 foreign exchange |
| 5. All..... banks make loans to borrowers. | 5 to finance |
| 6. If the importer buys from another country he will pay for it in the currency of this country. | 6 to supervise |
| | 7 to charter |

Dialogue

(A banker's office in New York City, Mr. Smith, a Vice President, is speaking to Bill Wilson).

Smith O.K. Bill. As a secretary you ought to know certain things about banking.

Bill That's what I want. I hope to make my career in banking.

Smith And what bank services are you familiar with?

Bill Oh, let me see. I am familiar with checking and savings accounts, safety deposit boxes, insurance and things like that.

Smith It is something.

Bill But I don't have a clear idea of the services which banks offer to business.

Smith O.K. Let's discuss it then. In fact, it is more directly concerned with what passes over my desk.

Bill I think businesses come to the banks for loans.

Smith You are right. Banks make loans to corporations, to organizations, individuals and to small companies. For this service, we always charge interest.

Bill But how can a bank decide whether a business should receive a loan.

Smith First of all we request a financial statement. It shows what the company has in inventory, accounts receivable and other assets

and liabilities. Profit and loss statement shows the company's income and expenses.

Bill In other words you look over the financial situation of a business.

Smith Exactly. If the company is eligible for a loan, it may choose a long-term loan or a short-term loan.

Bill I see. And how much interest does the bank charge on these loans?

Smith It can be different. We have so-called prime-rate, that is the lowest interest rate available at the particular time. Only preferred customers can have it.

Bill Who decides on prime-rate then?

Smith Major lending banks do.

Bill Oh, I must know that. And very often I hear the term "a line of credit". I have a vague idea what it is.

Smith A line of credit is the maximum amount of money that a company can borrow from a bank. This top amount of customer's credit is based on the profits and earnings of a business.

Bill Well. Then it is very important to have a good line of credit, isn't it?

Smith Sure. A bank also issues letters of credit. Such letter says that its holder can borrow up a certain sum of money. Or a bank can also issue a letter of credit for a person who goes to the other country where another bank is involved. Then there is the credit reference letter which recommends a company to its suppliers, and well -I could go on all morning.

Bill Thank you. It's very useful information.

Smith O.K. We can pass on to a more complicated subject. That is tax service.

Active Vocabulary

banking	банковское дело
to make a career in Seth.	сделать карьеру в чем-либо
bank services	банковские услуги
checking account	чековый счет
savings account	сберегательный счет с установленным
процентом	
safety deposit box	сейф для депозитов, предоставляемый
	частным лицам в банке
insurance	страхование
to make a loan to sib.	давать заем кому-либо
to be eligible for a loan	подходящий для займа (т.е.
	признаваемый платежеспособным)
long-term loan	долгосрочный заем
short-term loan	краткосрочный заем

prime-rate	наименьший процент со ссуды, установленный в определенное время и в определенном месте
to be available	preferred customer привилегированный клиент
распоряжении	наличный, имеющийся в
line of credit	кредитный лимит
to borrow	занимать
letter of credit	кредитное письмо, аккредитив
credit reference letter	рекомендательное кредитное
письмо	

Vocabulary Exercises

Exercise 1. Change the sentences according to the model.

Model: We use the safety deposit boxes (sometimes). We sometimes use the safety deposit boxes.

1. All the banks provide credit services (usually).
2. Banks give investment advice (sometimes).
3. Banks charge interest (always).
4. You can borrow money quickly (rarely).
5. Businesses want to borrow money (frequently).
6. The amount of interest depends on the prime-rate (generally).
7. Companies need a line of credit (seldom).
8. A line of credit is available (occasionally).

Exercise 2. Change the sentences from active into passive according to the model.

Mode I: They use the safety deposit boxes very often.

Safely deposit boxes are used very often by them.

1. Federal government supervises and charters national banks.
2. This bank is asking ten percent interest.
3. The bank requests a financial statement of the company.
4. Their company takes a long-term loan from the Federal Bank.
5. The (.executive shows the company's expenses.
6. The manager is instructing the secretary.

Exercise 3. Answer the questions.

1. Is there a difference between banking systems in the USSR and western countries? What is the difference?
2. What bank services are you familiar with?
3. Do the banks in this country have safety deposit boxes?
4. Whom do the banks make loans to in this country?

5. What kind of loan would you prefer, long-term loan or short-term loan?
6. What prime-rates are available in this country?
7. What does the line of credit of the enterprise depend on?
8. What is a credit letter written for?
9. What can one do with credit reference letter?

Exercise 4.

1. Speak about banking system in the USSR.
2. Make up a dialogue between a bank and a customer, who wants to take a long-term (short-term) loan.

Exercise 5. Translate into English.

1. Государство учреждает коммерческие банки.
2. Если ты хочешь купить товары за границей, ты должен поменять деньги в отделе обмена валюты.
3. Я бы хотел сделать карьеру в банковском деле.
4. Все банки устанавливают проценты на ссуду.
5. Наш банк намерен предоставить краткосрочную ссуду этому предприятию.
6. Наименьший процент со ссуды предоставляется привилегированным клиентам.
7. Банки могут выпускать аккредитивы и рекомендательные кредитные письма.
8. Я намерен занять крупную сумму денег.
9. Банк считает, что это предприятие платежеспособно и ему можно предоставить заем.

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: This commercial bank had already stopped to exist when the war started.

This commercial bank hadn't stopped to exist yet when the war started.

1. He had already changed currency when ^ rang him up yesterday.
2. They had already chartered the con'- ;commercial bank when I organized my private cafe.
3. He had looked over the financial statement by five o'clock yesterday.
4. My brother had made a career in banking when he was 26.
5. He had put all his money on his savings account before the money reform was introduced.

Exercise 2. Put up four questions of different types (general , special disjunctive, alternative) to each sentence.

Model: They had written a credit reference letter before he left abroad.

1. Had they written a credit reference letter before he left abroad?
2. What had they written before he left abroad?
3. They had written a credit reference letter before he left abroad, hadn't they?
4. Had they written a credit reference letter or a credit letter before he left abroad?
 1. He had been a preferred customer for this bank till his business was successful.
 2. My parents has settled everything connected with insurance before they retired on pension.
 3. He had borrowed the money before I managed to find him.
 4. The lawyer had given me investment advice before 1 asked him about it.
 5. He had arrived to the conclusion to take a long-term loan when I met him yesterday.

LESSON 9

PRODUCT DEVELOPMENT and PLANNING**Text**

The number of new products coming into the market of western countries every year is overwhelming. The major part of these products is not new, but adaptations. It means that these products are not new, they are existing items to which a modification has been made. Only few products are really original or innovations. -For instance a clock-television is an adaptation, but TV-set itself, the refrigerator - each was an innovation.. A great number of innovations and adaptations are designed, produced and marketed by small businesses. Very often a new product is formed on the basis of the new business. Sometimes there is a patent to make the business more successful. But it happens very often that market research hasn't been done carefully.

Even in case larger scale producers do more research and testing there is no sure success. A promising new product may be also robbed of success by unreasonable prices, inadequate promotion and poor selling methods. Generally less than one fifth of all new products turn out to be profitable.

Active Vocabulary

product development	развитие производства
adaptation что	либо переделанное, приспособленное
modification	модификация, видоизменение
innovation	нововведение, новшество
patent	патент
large scale producer	крупный производитель
promising product	перспективный продукт
unreasonable price	неразумная цена
inadequate	недостаточный, не соответствующий
требованиям	

Comprehension Questions

1. How can you explain the term adaptation?
2. What is an innovation?
3. Give your own examples of innovations and adaptations.
4. Why are many innovations and adaptations manufactured and marketed by small businesses?
5. Why is it so important to obtain a patent?
6. Why does the failure of a new product take place?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

1. Though market research tries to predict, the trends, there is no sure ... | adaptation
2. This product isn't original, it is an... | 2 innovation
3. ... office receives applications from many young inventors. | 3 inadequate
4. If the price is..., the product won't be sold out. | 4 patent
5. A clock-television is an adaptation but the television itself is an ... | 5 failure
6. If a sure ... is stopped, money and time can be saved. | 6 success
7. They failed because of... promotion campaign. | 7 unreasonable

Dialogue

(Dick and Jack are having lunch. Dick is Vice President in charge of Product Development. And Jack is Vice President in charge of the Legal Department).

Dick How are the things?

Jack Great. We are busy with a new line of clock-television.

Dick Sounds interesting. Are you going to apply for a patent soon?

Jack Yes, we are. We are preparing the necessary paper now.

Dick And what did the Market Research say by the way

Jack They think. there is fair market for the product at the moment but it will take a few years to catch on

Dick I see. We'll have to turn a good promotional campaign.

Jack Without doubt.

Dick Well, it will be our advantage to have the patent on it is well. You have decided on the size, haven't you?

Jack We'll start with a small screen model. It will have wake-up button and go-to-sleep button with time Market Research says that the automatic go-to-sleep button may be the bigger selling point.

Dick Yes. The idea of a set that turns itself off is great To tell you the truth I'm always falling asleep in the middle of the show. Now it can be done.

Jack Well. In future we'll probably expand the line to include different size screens and colour.

Dick That's good.

Jack I think we are close to a big success.

Dick That is why we must be very careful. Before we begin to market television we must fulfil the mos. complete testing.

Jack You are right.

Dick What about the pricing? Has it been worked out?

Jack Not completely. Market Research Department says we can't have too high price on this kind of item.

Dick It's evident we must be very careful. Maybe this time consumers will really surprise us.

Jack Let's hope for the best.

Active Vocabulary

to apply for a patent	подать заявление на патент
fair market	(зд.)благоприятные рыночные условия
to catch on	стать модным
to be a big selling point	быть притягательным для покупателей
to fulfil the testing	завершить исследование
to market	продавать

Vocabulary Practice

Exercise 1. Change the sentences according to the model.

Model: We must fulfil complete testing.

Complete testing must be fulfilled.

1. They must expand the line.
2. You could apply for a patent.
3. They should work out the details. 4.1 must develop a new trend.
5. We should design a line of clock-television.
6. You should start market research.

Exercise 2. Answer the questions.

1. Why is it so important for a producer to apply for a patent?
2. How much time does it usually take for a new product to catch on?
3. What is a big selling point of the items which you produce?
4. In what way can a consumer surprise the producer?
5. Would you like to produce something original or an adaptation?

Explain why.

6. What are the conditions of successful product development?
7. What products are the market conditions fair for in this country?

Exercise 3. Translate into English.

1. Этот продукт - модификация старого.
2. Мелкие производители выпускают большое количество товаров.
3. Вам необходимо получить патент на производство данного товара.

4. Тщательное исследование рынка необходимо, чтобы гарантировать успех.

5. Потребуется пять лет на то, чтобы ваш продукт завоевал признание.

6. Отключающее устройство с таймером - именно то, что привлечет потребителя.

7. Надо завершить все исследования, прежде чем мы начнем продавать наш продукт.

8. Нам необходимо расширить линию.

Exercise 4. Speak about product development of your business. Ask your colleague how he would plan product development.

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: I will have the drawings prepared very soon. I won't have the drawings prepared very soon.

1. It will take much time to catch on.
2. I am sure this thing will be the biggest selling point.
3. They will run a good advertising company.
4. They will make a new modification of electronic watch.
5. This price will be inadequate.

Exercise 2. Put four- questions of different types to each sentence (genial, special, alternative, disjunctive).

Model: They will influence the consumer to buy their automobiles.

1. Will they influence the consumer to buy their automobiles?
 2. Who will influence the consumer to buy their automobiles?
 3. They will influence the consumer to buy their automobiles, won't they?
 4. Will they influence the consumer to buy their automobiles or other goods?
1. Their products will be available in every shop.
 2. The company will start their promotion campaign very soon.
 3. Our bank will make a loan to this corporation.
 4. They will need a lawyer to form their business.
 5. I will consult my partner.

LESSON 10

MARKETING**Text**

Marketing includes all the business activities connected with the movement of goods and services from producers to consumers. Sometimes it is called distribution. On the one hand, marketing is made up of such activities as transporting, storing and selling goods and, on the other hand, a series of decisions you make during the process of moving goods from producer to user. Marketing operations include product planning, buying, storage, pricing, promotion, selling, credit, traffic and marketing research.

The ability to recognize early trends is very important. Producers must know why, where, for what purpose the consumers buy. Market research helps the producer to predict what the people will want. And through advertising he attempts to influence the customer to buy. Marketing operations are very expensive. They take up more than half of the consumer's dollar. The trend in the USA has been to high mass consumption. The construction of good shopping center has made goods available to consumers. It provided a wide range of merchandise and plenty of parking facilities.

Active Vocabulary

Producer	производитель
Consumer	потребитель
User	потребитель
Distribution	сбыт, распределение
Marketing	продажа, сбыт, маркетинг
Transporting	транспортировка
Storing	складирование, хранение
Storage	хранение
product planning	разработка новых продуктов
pricing	калькуляция цен
promotion	содействие в продаже (какого-либо товара), например, с помощью рекламы
traffic	торговля
marketing research	изучение рынка сбыта
trend	тенденция, общее направление
to predict	предсказывать
to influence	влиять

Comprehension Questions

1. What does marketing mean?
2. What activities does marketing consist of?
3. What do marketing operations include?
4. Why is it so important for the producer to predict trends?
5. How was mass consumption possible in USA?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | | |
|-------------------------------------------------------------------------------|--|--------------------|
| 1. One of the aims of market research is to indicate new ... among people. | | 1. predict |
| 2. Advertising must... the consumer and make him buy the goods produced. | | 2 influence |
| 3. Often marketing is called | | 3 promote |
| 4. In order to sell a new product, a producer has to consider how to ... it. | | 4 marketing |
| 5. The goods of this company are not sold very well, they must think about... | | 5 trends |
| 6. Sometimes it is difficult to influence ... through advertising | | 6 distribution |
| 7. If you want to produce something new, you should start with | | 7 market research |
| 8. A producer wants to... the new trends and then tries to influence them | | 8 product planning |
| 9... includes product development and pricing among other things. | | 9 consumer I |

Dialogue

Sally and Don work in the Marketing Department of a company, that makes different meal products.)

Don Hey, Sally, look at these figures. The price of sugar is going up 10% during the next year. Sally Oh, that's bad. That means trouble for our jam line.

Don I think so too. Sugar is the main ingredient, you know. What's your opinion?

Sally Well, we are not the price leaders in the field and jam is a very price sensitive item. According to our marketing research information consumers aren't particularly brand loyal about jam.

Don I have a brilliant idea. You know, this could be a great marketing opportunity for us.

Sally What do you mean?

2. They should ... some tests and pass the results to RD		2 schedule
3. This company is the ... in this field, they can sell this product at the lowest price		3 packaging
4. Customers do care about the price on this product, it is a very ...		4 competitor
5. ... influences the desire of a customer to buy.		5 price leader
6. Our ... has become the price leader in selling computer programmers.		6 price sensitive item

Exercise 2. Answer the questions.

1. Whels the price leader in your business?
2. How can you become a price leader? What should for this?
3. How should one start a promotional campaign?
4. Why is it dangerous to produce price sensitive good
5. Why is it important to have competitors in business
6. What should you do to leave your competitors behind
7. What knowledge must you have to be good at marketing

Exercise 3. Translate into English.

1. Маркетинг включает в себя действия, связанные с движением товара от производителя к потребителю.
2. Маркетинг включает в себя транспортировку, хранение, рекламу, калькуляцию цен, продажу.
3. Изучение рынка помогает предсказывать общие направления спроса.
4. Реклама оказывает сильное влияние не на покупателя.
5. Мы не можем устанавливать самую низкую цену на этот товар.
6. Мы должны разработать план производства новых продуктов.
7. Сбыт этого товара очень реагирует на изменение цены.

Grammar Exercises

Exercise 1. Transform the sentences of real condition into the sentences of unreal condition.

Model: If we promote this right, we will (we'll) get more sales.

- a) If we promoted this right, we would get more sales.
- b) If we had promoted this right, we would have got more sales.

1. If we are careful we will leave behind our competitors.

2. If we phone R.D., we will get the necessary information.
3. If we change the ingredients, we will be ready for the price rise.
4. If the price of jam goes up, the increase will be passed on the consumer.
5. If they work hard, they won't lose any customers,
6. If we schedule the product development in time we will be ready for the change of the demand.
7. If we don't lose the chance, the competitors products will stay on the super-market shelves.

Exercise 2. Make transformations according to the model.

Model: Consumers wish prices would go down.

Consumers hope that prices will go down.

I wish I could work harder.

I hope I can work harder. 1. The head of the department wishes that competition would lessen.

2. The Market Research Department wishes the test results would be ready soon.

3. The Manager wishes that sales would improve.

4. We wish all the departments could fulfil their tasks.

5. Sally wishes that the Packaging Department could hurry up.

LESSON 11

WHOLESALING**Text**

Wholesaling is a part of the marketing system. It provides channels of distribution which help to bring goods to the market. Generally indirect channels are used to market manufactured consumer goods. It could be from the manufacturer to the wholesaler, from the retailer to the consumer or through more complicated channels. A direct channel moves goods from the manufacturer or producer to the consumer.

Wholesaling is often a field of small business, but there is a growing chain movement in the western countries. About a quarter of wholesaling units account for one-third of total sales.

Two-third of the wholesaling middleman are merchant wholesalers who take title to the goods they deal in. There are also agent middlemen who negotiate purchases or sales or both. They don't take title to the goods they deal in. Sometimes they take possession though. These agents don't earn salaries. They receive commissions. This is a percentage of the value of the goods they sell.

Wholesalers simplify the process of distribution. For example, the average supermarket stocks 5.000 items in groceries alone, a retail druggist can have more than 6.000 items. As a wholesaler handles a large assortment of items from numerous manufacturers he reduces the problem of both manufacturer and retailer. The store-keeper does not have to deal directly with thousands of different people. He usually has a well-stocked store and deals with only a few wholesalers.

Active Vocabulary

wholesaling -	оптовая торговля
to provide channels	обеспечивать системой (сбыта)
indirect channels (сбыта)	непрямая, опосредованная система
complicated channels	сложная система (сбыта)
retailer	розничный торговец
chain movement	движение к объединению
wholesale unit	(зд.) контора по оптовой
торговле total sales	совокупная продажа
middleman	посредник, комиссионер
merchant wholesaler	оптов к скупщик
wholesaling middleman	оптовый посредник (скупщик)
to take title to the goods	приобретать товар как собственность

agent middleman	посредник между производителем и покупателем
to negotiate purchases or sales	вести переговоры по поводу купли или продажи
to earn salary	зарабатывать жалование
to receive commissions	получать комиссионные (процент от продажи)
grocery	бакалейная торговля
to handle	1) управлять, 2) торговать (амер.)
assortment	ассортимент

Comprehension Questions

1. What is the aim of the wholesaling?
2. How can you describe a direct channel of distribution?
3. What is an indirect channel of distribution?
4. What channel of distribution is preferable?
5. Is there any difference between a merchant wholesaler and an agent middleman? What is this difference?
6. How does a wholesaler simplify the process of distribution?
7. What would a retailer have to do without wholesalers?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | | |
|-----------------------------------------------------------------------------------|--|---------------|
| 1. They use both direct and indirect...
of distribution | | 1 wholesalers |
| 2. Agent middlemen do not... to the
goods they deal in | | 2 take title |
| 3. Usually wholesaling ... stands
between the producer and the retailer. | | 3 retailer |
| 4. A supermarket may ... thousands of
commissions items | | 4 stock |
| 5. Usually a wholesaler handles a large ...
of items of numerous manufacturers | | 5 channels |
| 6. Agent middlemen don't earn salaries,
they... | | 6 assortment |
| 7. A wholesaler doesn't deal with the
customers, ... does. | | 7 to receive |
| 8. ... simplify the problems of
manufacturers | | 8 middleman |

Dialogue

John is explaining his new job to his wife, Susan. He is a sales trainee for a company.

John It's a great job, you know. The salesmen are paid salaries instead of being on commission.

Susan Why do you find it great? You can earn less money.

John Well, it's a regular weekly salary. And besides we get reimbursed for everything lunches and dinners even the football tickets, the car, gasoline, tolls.

Susan That's really great.

John And I'm going to get a raise in three months.

Susan And what are you going to see

John Foam rubber.

Susan What is it used for?

John It is used to make couches and beds, generally ideal with furniture manufacturers.

Susan So you will travel much, won't you?

John No. Delivery is a part of our wholesaling operation. Foam is sold and delivered by the truckloads. It is rather bulky and it is expensive to have it shipped a big distance. We are going to deal with buyers who are in this region.

Susan That's fine. I don't want you to travel too much. By the way I want to know more about sales procedure.

John At first I go to see a buyer. We discuss what he needs After that I send him a written quote. If our prices suit him, he'll call us and send an order.

Susan Do you take orders over the phone?

John Yes. The buyers are always in a hurry and a letter would take too much time to come. If it's a verbal agreement we call it gentlemen's agreement.

Susan And what happens after the verbal agreement?

John We receive a written purchase order. It is called p.o.- and it has a number that we use for all future correspondence on that order. The office then retypes the order form and the p.o. and order form are stapled together and filed.

Susan It sounds organized. Whom do you usually deal with in a company?

John Well, I'll deal with purchasing agents. But I could deal with any administrator from the president on down, in some cases.

Susan Good. Soon you'll get your raise.

John Yes. Selling is usually a stepping stone to higher positions in management.

Susan Don't worry, dear. If it doesn't work out, we still have my job.

Active Vocabulary

sales trainee -	стажер по торговле
to be on commission -	получать комиссионные с продажи
to reimburse -	возмещать, восполнять
to get a raise -	получить повышение
toil -	пошлина, плата за услуги
quote -	назначение цены
delivery -	доставка
gentlemen's agreement -	джентльменское соглашение
verbal agreement -	устное соглашение
purchase order (p.o.) -	заказ на покупку
to deliver -	доставлять
to staple -	(зд.) проверять
to file -	подшивать, хранить
stepping stone -	средство для достижения цели

Vocabulary Practice

Exercise I. Change the sentences according to the model.

Model: When did they want to reimburse for our expenses? (I don't remember).

I don't remember when they wanted to reimburse for our expenses.

1. How will you get a raise? (They don't care).
2. When did they send you the purchase order? (I don't know).
3. Who are the purchasing agents? (I can't recall).
4. Why didn't they get verbal agreement? (I'll try to find out).
5. Did they staple and file the p.o. ? (I don't know).
6. How large is the sales region? (They don't care).
7. How much is the toll? (It doesn't matter).
8. When will she get commission? (She doesn't know).

Exercise 2. Make up the conditional sentences.

Model: consult the middleman / he - smart

If he were smart, he would consult the middleman.

- 1) be a wholesaling middleman / he - interested
- 2) work for themselves / men - independent
- 3) earn a good salary / he - happy
- 4) use direct channels / business - successful
- 5) have the secretary do it / she - there
- 6) handle it well / he - fail
- 7) order it next month / I - rich

Exercise 3. Answer the questions.

1. Would you like to be on commission?
2. What expenses do you get reimbursed for at your job?

3. What factors do you need to get a raise?
4. Why isn't a verbal agreement always sufficient?
5. What would you prefer to be : a wholesaler or a retailer?
6. What is a stepping stone to higher positions in your business?

Exercise 4. Translate into English.

1. Оптовая торговля - важный элемент рыночной системы.
 2. Товары идут от оптового посредника к потребителю через розничного торговца.
 3. Непрямая система сбыта более предпочтительна.
 4. Оптовые скупщики приобретают товар.
 5. Посредник получает проценты от продажи.
 6. Посредник обычно ведет переговоры по поводу купли или продажи.
 7. В этом магазине хороший ассортимент товаров.
 8. Менеджер по маркетингу скоро получит повышение.
 9. Мы вынуждены дорого платить за доставку.
- 73**
10. Наша фирма возмещает нам расходы за обеды и проезд
 11. Это было джентльменское соглашение.

LESSON 12

RETAILING**Text**

Retailing is selling goods and services to the ultimate consumer. Thus, the retailer is the most expensive link in the chain of distribution. Being middlemen, they make their profit by charging the customer 25 to 100 per cent more than the price they paid for the item.

The retailers operate through stores, mail-order houses, vending machine operators. There are different types of retail stores: department stores, discount houses, cooperatives, single line retailers. The major part (over 95 per cent) of retail establishments concentrate on a single line of merchandise for example, food, hardware, etc. But nowadays there is a trend for many single line stores to take on a greater variety of supplies.

The retailer performs many necessary functions. First, he may provide a convenient location. Second, he often guarantees and services the merchandise he sells. Third, the retailer helps to promote the product through displays, advertising or sales people. Fourth, the retailer can finance the customer by extending credit. Also the retailer stores the goods in his outlet by having goods available.

Active Vocabulary

retailing -	розничная продажа
ultimate consumer -	конечный потребитель
link -	звено, связь
mail-order house -	посыл торг
vending machine operator -	оператор торговых автоматических машин (продающих мелкие товары: газеты, сигареты и т.д.)
discount house -	магазин с относительно низкими ценами на товары
cooperative -	кооператив
single line retailer -	розничный торговец, продающий какой-либо один товар
to perform functions -	выполнять функции
extending credit -	длительный кредит
outlet -	рынок сбыта, торговая точка
discount -	скидка

Comprehension Questions

1. What is retailing?
2. What are four different types of retail stores?

3. What are at least two types of retailing that do not include the use of a store?
4. In what way does a retailer serve a customer?
5. In what way does a retailer serve a manufacturer?
6. Which per cent of the price of the good sold goes to the retailer?
7. What is the trend with a single line retailer now?

Vocabulary Practice

Exercise 1. Put the necessary word in the sentence.

- 1.... is one function a retailer may perform. |1 mail-order
2. You can buy newspapers, cigarettes, cookies from a... |2 discount
- 3.... is the most expensive link in the chain between a producer and a consumer. |3 vending-machine
4. The firm ... good quality of the product. |4 guarantees
5. She doesn't like to go shopping, she prefers to do it by ... |5 retailer
6. The department store is having a sale and there is a 20 per cent... on all light dresses. |6 extending credit
7. Wholesaler is an important... between a producer and a consumer. |7 link

Dialogue

(Jean has just moved into a new house. Her neighbour, Liz, has come over to welcome her.)

Jean I am very glad to see you here.

Liz How do you like the new place?

Jean It's marvelous. I am sure we are going to love living here.

Liz Well, have a look, here it's a shopping guide for the neighbourhood and a booklet of discount coupons. New neighbours always receive them. There is one coupon for every store in the shopping guide.

Jean Oh, thank you. It's come in time. I have a lot of shopping to do.

Liz I can imagine, having just moved in. Not far from here there's a very good shopping center. You can also find a huge supermarket, a drugstore, some department stores in the neighbourhood.

Jean Great. Are there any small stores nearby?

Liz Oh, yes. The map is right here in the shopping guide. There is a little drugstore a few blocks away, a little grocery store next to it, a little

boutique, an ice cream parlor, a pizza place. You can find a plant store not far from here too.

Jean Are there any good discount houses nearby? We terribly need a new toaster. Everybody in my family likes toasts for breakfasts very much. I'd like to buy it.

Liz Oh, sure. There is a good discount store in the shopping center. If you like, I'll come with you.

Jean Oh, you needn't. I don't want to trouble you.

Liz No trouble at all. I'd like to do some shopping too. If we go to the discount center I can go to that little cheese shop. I don't want to bother you.

Jean It's no bother at all. Make out your shopping list and I'll be your guide. By the way, you can use your discount coupon for the toaster.

Liz . I am sure you'll buy a good one.

Jean Well, it'll take some time to make a shopping list. I'll have to buy a lot at the grocer's.

Liz This is a good idea. I should have gone shopping yesterday, so I'll make up my list too. **Jean** By the way, I like your dress very much. It's a perfect fit. Where did you buy it, if you don't mind my asking?

Liz Thank you for compliment. I got it at a very nice little boutique. It's a bit expensive, but there are many interesting and original things. If you are interested we can stop there.

Jean I'm afraid I can't. I have to cook dinner.

Liz Oh, don't trouble yourself with the dinner. Look over the coupons I've given you. You can go out to dinner at a discount store.

Active Vocabulary

shopping guide -	справочник магазинов
discount coupon -	талон, дающий право приобретения товара по более низкой цене
store -	магазин
department store -	универмаг
supermarket -	супермаркет
grocery -	бакалея
shopping center -	торговый центр

Vocabulary Practice

Exercise 1. Change the sentences according to the model.

Model: My wife usually asks the children to do shopping. My wife usually makes children do shopping.

1. He'll ask single line retailers to take part in the promotion campaign.

2. The chief usually asks his immediate subordinates to perform different functions.

3. It's necessary to ask him to recognize his wholesaling units.

4. It's important to influence ultimate consumer to buy this product.

5. Ask him to buy all these things in the discount house.

Exercise 2. Make responses to the sentences according to the model.

Model: I want to ask your brother to do shopping today.

Let me do shopping today myself.

1. I want my secretary to prepare the financial statement.

2. The board of directors wants the officers to plan product development.

3. He wants to speak with my friend about their possible partnership.

4. I want a lawyer to clarify this matter.

5. The executive wants this manager to start market research.

Exercise 3. Answer the questions.

1. What kind of shops in this country do you know?

2. What shops are situated not far from your house?

3. What goods can be bought there?

4. What specific features do channels of distribution have in this country?

5. What reforms does this country need to reorganize the channels of distribution?

Exercise 4. Translate into English.

1. Розничная торговля - это продажа товара конечному потребителю.

2. В западных странах есть различные типы торговых учреждений: универмаги, супермаркеты, магазины с низкими ценами, посыл торги и т.д.

3. На этот товар можно получить 10% скидку.

4. Розничный торговец может представить покупателю длительный кредит.

5. Эта фирма имеет множество торговых точек по всей стране.

6. Розничный торговец выполняет много важных функций.

7. Я не знаю центр города, мне необходим справочник магазинов.

8. В торговом центре вы найдете все необходимые вам товары.

9. В этом магазине нет бакалейного отдела.

Exercise 5.

a) speak about the differences between (he channels of distribution of this country and western countries.

b) look at this chart and say in what industries different methods of distribution are possible.

Grammar Exercises

Exercise 1. Change the sentences according to the model.

Model: I should go shopping today.

I should have gone shopping yesterday.

1. The firm should apply for credit very soon.
2. They should see about the new refrigerator today. 3. I should take my wife shopping a bit later.
4. They should get groceries at the supermarket this afternoon.
5. You should order a new car.
6. He should buy a computer today.
7. He should speak with the manager today.

Exercise 2. Change the sentences according to the model.

Model: If there is a shopping center nearby, we will go there together.

If there had been a shopping center nearby, we would have gone there.

1. If she buys too much, she won't be able to carry it herself.
2. If there is ice cream in this store, we will bring the children some.
3. If she tries the new boutique today, she will come very late.
4. If the shop offers home delivery, he will ask them to deliver.
5. If you shop downtown, you will find the shopping center.

LESSON 13

PRICING**Text**

All products and all services have prices. The price depends on different things such as credit terms, delivery, trade-in allowance, guarantees, quality and other forms of service, which price can produce the biggest profit during a long period of time. It's hardly possible to determine such a price. The price may be too high to produce a large volume or too low to cover costs. No other area of marketing operations has been a subject to bad practice. Many businesses pursue unsound price policies for long periods of time and are not aware about it.

Prices can be determined in different ways. For example, the prices of meat, cotton and other agricultural products can be decided in large central market where forces of supply and demand exist. This is pure price competition. The prices on industrial products (iron, steel, etc.) are usually decided by large companies. As a rule the amount and price of goods sold to large number of buyers is controlled by a few competing sellers. Prices also can be set by the government, usually for different public services - railroads, electricity, manufactured gas, bus services, etc.

If demand increases, prices rise, profits expand and new investment is attracted. But other factors may be involved as well. Prices are related to each other in different ways. Ultimately, everything is related in price, since the consumer can buy and must pay for everything out of a particular, limited amount of money.

Active Vocabulary

credit terms -	кредитные условия
trade-in allowance -	сумма денег, отданная за старую вещь и включенная в счет покупки новой
to cover costs -	покрывать затраты
to pursue unsound price policies -	вести неразумную ценообразовательную политику
supply and demand -	предложение и спрос
price competition -	конкуренция в ценообразовании
to set prices -	устанавливать цены

Comprehension Questions

1. Why is it difficult to determine the right price?
2. Why is the seller interested in the price that produces the highest volume of sales at the lowest unit cost?

3. Why do many businesses follow unsound pricing policies?
4. In what way are agricultural prices decided?
5. How are industrial products usually priced?
6. Why does the government usually set the prices for public utility services?
7. Why is it so important to know the levels of supply and demand when dealing with pricing?
8. Why is everything related by price?

Vocabulary Practice

Exercise 1. Put in the necessary word in the sentence.

- | | | |
|-------------------------------------------------------------------------------------------------|--|----------------------|
| 1. It is very difficult... without sound price policy. | | 1 supply and demand |
| 2. Of course we are interested in producing the ... with the lowest unit costs. | | 2 volume of sales |
| 3. I decided to buy a new car at this company because they offered the best... on my old model. | | 3 trade-in allowance |
| 4. The ... of this store are very beneficial for customer. | | 4 compete |
| 5. Their business will fail if they pursue unsound.... | | 5 price policies |
| 6. The government usually ... for public utility services. | | 6 credit terms |
| 7. In pure competition the forces of... operate. | | 7 to set prices |

Dialogue

Dick is introducing a new line of products and is talking to his friend Tom, a business consultant, about it.

Dick It's the first time when I'm in business for myself.

Tom Don't worry. The store has always been doing well. It has a great location and as far as your new line of merchandise...

Dick That's what I wanted to talk to you about. Can you give some ideas how to charge the prices?

Tom With pleasure. Generally, there are two types of pricing policies. There is price emphasis and price deemphasis.

Dick What's the difference?

Tom The price emphasis policy emphasizes low prices. This encourages sales. But low price doesn't give extra services.

- Dick** So, a really low price means no credit, home delivery, repair, installation and other services.
- Tom** That's what I mean. But many people are interested only in the low price and not in the extra services.
- Dick** Yes, and vice versa. The price which I set determines the number of sales. I must think thoroughly about it.
- Tom** A good example of price emphasis is "loss leader" pricing. It means that you choose one item - let's say an electric razor - at a price just above the cost. The customers will come to your shop to buy this loss leader item. But since they are inside they can decide to buy a few other things they need.
- Dick** It sounds interesting. What other things can you tell?
- Tom** There is also off-even pricing. Let's say you sell a tape recorder for \$69.95 instead of \$80.00. Though it is in fact about the same, the low price can produce a favorable psychological effect.
- Dick** What are the other ways to attract the customers?
- Tom** First of all, remember that you are going to compete with well-known products, so you should start with specially low prices. It's important to advertise this. You should use newspaper and, maybe a radio spot, maybe do a big window and floor display.
- Dick** It makes sense.
- Tom** And you can raise the price after your customers try a new brand get to know it and like it. They will continue to buy it.
- Dick** I see. And what is the price de-emphasis you mentioned before?
- Tom** It concerns high quality expensive items. Price de-emphasis means that you don't call attention to the price at all.
- Dick** I know, it concerns our fine jewelry department or designer fashions.
- Tom** Yes. I see you are going to do very well.
- Dick** Your suggestions seem to be very useful. Don't forget you have a discount on any shopping you do in my shop.
- Tom** In such a case I'll be back tomorrow with my wife.

Active Vocabulary

location	место расположения
extra services	дополнительные услуги
installation services	услуги по установке
to charge prices	устанавливать, назначать цены
price emphasis	продажа товара за счет низкой цены
price de-emphasis	попытка продажи товара не за счет низкой цены, а за счет других факторов
loss-leader item	товар, продаваемый по очень низкой цене, служащей для привлечения покупателей

off-even pricing	цена, не доходящая до круглой цифры и стимулирующая желание покупателя купить
favorable psychological effect	благоприятный психологический эффект
to start with especially	
low prices	начинать с особо низких цен
new brand	новая марка (товара)
high quality expensive item	высококачественный дорогой продукт

Vocabulary Practice

Exercise 1. Change the sentences according to the model.

Model: The tape recorder is inexpensive. Your store sells the tape recorder.

The tape recorder that your store sells is inexpensive.

1. The dresses are fashionable. The store introduced the new dresses last week.
2. The store has many refrigerators. Dick owns the store.
3. The stereo is high-priced. My daughter wants the stereo.
4. The price determines the number of sales. A retailer sets the price.
5. Very often the people don't want extra services. Many supermarkets offer extra services.
6. Your shop should have loss-leader item. Loss-leader item will attract the customers.
7. Price de-emphasis works with high quality expensive items. Price-de-emphasis means that you don't call attention to the price at all.

Exercise 2. Change the sentences according to the model.

Model: We won't introduce a new line of merchandise unless you suggest it.

We will introduce a new line of merchandise if you don't suggest it.

1. Tape recorders are popular unless the price is too high.
2. The consumers will continue to buy unless they don't like the item.
3. The buyer can get installation services unless he wants to pay for it.
4. The salesman will help you unless he is too busy.
5. People won't try a new product unless there is advertising.
6. Customers won't buy the new brand, unless the price is low.
7. They won't raise the price unless it is necessary.

Exercise 3. Answer the questions.

1. In what way were the prices charged in this country?
2. What is your idea of the term market price?
3. What type of pricing policy works with the majority of consumer goods? (price-emphasis, price de-emphasis)

4. What is more preferable for you in pricing: low prices with no extra services or high prices with home delivery, repair and other services?
5. Why is it so important to have loss leader item in a shop?
6. What is off-even pricing made for?
7. How can your pricing policy help to compete with well known products?

Exercise 4. Translate into English.

1. Этот магазин предоставляет покупателю выгодные кредитные условия.
2. Товар имеет низкую цену. Она покрывает затраты.
3. Эта фирма ведет неразумную ценообразовательскую политику.
4. Прежде чем выпускать товар, необходимо тщательно изучить спрос и предложение.
5. Государство устанавливает цены на ряд продуктов.
6. Магазин имеет превосходное место расположения.
7. Супермаркет предоставляет покупателю много дополнительных услуг: доставку товаров на дом, кредит, установку и т.д.
8. Новая марка несомненно привлечет покупателей.
9. Начинайте с низкой цены.
10. Продажа за счет низкой цены действует при продаже товаров народного потребления.

Exercise 5. Set your imagination free.

You are a journalist and you are to interview the minister of finance about! the pricing policy in this country. What questions would you ask him?

Grammar Exercises

Exercise 1. Make sentences interrogative and negative.

Mode 1: They can change your credit terms at once. Can they change your credit terms at once? They can't change your credit terms.

1. They must research supply and demand before they start to produce the new item.
2. The company has to cover the costs by all means.
3. The middlemen may set the new price.
4. They can pursue unsound price policies.
5. They must choose another location for their shop.

Exercise 2. Choose the necessary modal verb and put it in the sentence.

1. Off-even pricing ... undoubtedly produce favorable psychological effect on a consumer.
2. I spoke with the chief. Now you... change the credit terms.

3. They are very talented specialists. I think they ... design the new line very quickly.
4. The situation has changed, so we ... start with specially low prices.
5. We ... choose price emphasis policy for this item.

LESSON 14

COMPUTERS**Text**

The computer industry is one of the largest in western countries and especially in the USA. It includes companies that manufacture, sell and lease computers, as well as companies that supply products and services for people working with computers.

A computer cannot think. A human operator puts data into the computer and gives instructions. The operator writes instructions which determine the mathematical operations on information. A computer solves mathematical problems very rapidly. Traditionally, the computer in business is used to process data. This involves different administrative functions such as preparation of payrolls, inventory control in manufacturing, warehousing and distribution operations, customer accounting, billing by banks, insurance companies, public utilities and mass circulation magazines. Now the computer takes on new kinds of jobs. It has become more involved in business operations as an essential tool in making decisions at the highest administrative level.

Active Vocabulary

to give instructions -	давать инструкции
to put data -	закладывать данные
to solve mathematical problems -	решать математические задачи
to process data -	обрабатывать данные
preparation of payrolls -	подготовка ведомостей
inventory control -	инвентаризационный контроль
warehousing -	складирование товаров
distribution operations -	распределительные операции
customer accounting	расчёт с клиентом

Comprehension Questions

1. What does the computer industry include?
2. In what way does a computer operate?
3. How was the computer traditionally used in business.
4. What new kind of jobs is the computer taking?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence

- | | | |
|-----------------------------------------------------------------------------------------------------------------|--|-----------------------------|
| 1. Distribution, preparation, preparation of payroll are ... functions that the computer performs for business. | | 1. process date |
| 2. Computer is programmed to...fast and accurately | | 2. lease |
| 3. If a small company cannot afford to buy a computer, they can ... the services of computer | | 3. inventory
control |
| 4. A programmer feeds the ... into the computer. | | 4. processing |
| 5. Many companies use the computers for their ... | | 5. administrative |
| 6. A computer solves problems by ... information | | 6. data and
instructions |

Dialogue

(Simona and Berg work in a large supermarket. Berg is the Manager and Simona is the Head Buyer.)

Berg I'm, so glad you had this business trip. I also would have liked to go but it's a problem for me to get away. Tell me everything about you, business trip.

Simona It was really great, Berg. It was worth looking over the operations of the store. It's very well organized and I believe we should consider adopting some of the methods.

Berg Is it really so?

Simona Absolutely. Berg, their computer system is remarkable.

Berg Can you tell me more about it?

Simona Oh, sure. First, they've replaced their cash registers with special terminals.

Berg What for?

Simona They record on tape the department number, classification of items, amount of sale and name of salesclerk for each sale.

Berg Do you think we really need all that information on tape?

Simona We put on the same information on our sales checks.

Berg Yes, but in cases of exchanges we need to know all that.

Simona And for other things too.

Berg Well?

Simona For inventory control, for example. During the night, the tapes containing the information are fed into the computer.

Berg And then what?

Simona Every morning the computer prepares reports on the sales of the day before, classified by department and buyer.

Berg So, it is possible to have almost instant records.

Simona You are right. The inventory is kept up to date automatically. Imagine, how efficient we could be.

Berg It is great. But I think with the help of a computer we could offer more personal services to our customers.

Simona What do you mean?

Berg Having such up-to-date records and complete inventory we could keep records of birthdays and anniversaries and have gift suggestions based on customer records, and a million of other things.

Simona Don't hurry. Let's get going on first things first.

Active Vocabulary

Head Buyer —	начальник отдела снабжения магазина
to adopt methods —	внедрять методы
terminal -	терминал, вывод, конец, граница
to feed the information	закладывать информацию в
in the computer —	компьютер
to date —	вычислять подсчитывать

Vocabulary Practice

Exercise 1. Change the sentences according to the model.

Model: I was worth looking over the operations of the supermarket. I was worth looking them over.

1. They picked out the new merchandise.
2. They talked over the new software.
3. The manager tried out new sales checks.
4. She filled out the payroll form.
5. They took down the statistical data.
6. She put off her work.
7. He had to look over the new program.

Exercise 2. Change the sentence according to the model.

Model: The sales are numerous. I can't mention them all. They are too numerous for me to mention.

1. This software is very expensive. The company can't buy it.
2. The results are numerous. They can't remember them all.
3. The computers are complicated. I can't use them.

4. Processing this data is difficult. John can't learn it.
5. I am tired. I can't do the billing right now.
6. I am busy. I can't go on a business trip right now.
7. The data is complicated. I can't explain it.
8. The situation is difficult. We can't overcome it at once.

Exercise 3. Read the text and put 10 questions to it.

Lorraine Weller from "Modern English Into. national" warns us. However hard the manufacturer and advertisers of personal computers try to convince us of friendliness of their product, it is still a fact that if you want to programme your own computer, you have to learn its language. It doesn't understand yours. This simple fact is the reason why so many home computers are underused. It also prevents lots of people from buying their own computer. Rather than licking your hand the computer quite often bites.

Imagine yourself having a conversation with an English person. You make one small grammar mistake, maybe you say have instead of has. It doesn't matter. The person understands your meaning and the conversation continues. This doesn't happen with a computer. If you make even the smallest mistake in its language, the conversation breaks down completely and you have to go back to the beginning. It can be very frustrating.

In the United States, in Japan, in Britain, computer specialists are all trying to develop a computer that will understand human language.

¹ to convince	убеждать
² to underuse	использовать не на полную мощность
³ to prevent	(зд.)останавливать, предотвращать
⁴ to lick	лизать
⁵ to bite	кусать
⁶ frustrating	изнурительный

Exercise 4. Translate into English

1. Некоторые компании не производят и не продают компьютеры, а сдают их в прокат.
2. Программист закладывает данные в компьютер.
3. В бизнесе компьютер используется для обработки данных.
4. Программное обеспечение очень дорого.
5. Компьютер помогает принимать решения на высшем административном уровне.
6. Компьютер используется для осуществления многих административных функций, подготовки ведомостей, инвентаризационного контроля.

Exercise 5.

a) Make a speech in favour of modern electronic equipment (personal computers, electronic printing aids). Why can't a modern enterprise do without them?

b) You are *the* Head of a firm producing computers. Advertise your product.

Grammar Exercise. Transform the sentences from Future Indefinite into Future-in-the-Past.

Model 1: The accountant says that she will prepare the financial statement very soon. The accountant said that she would prepare the financial statement very soon.

1. He confesses that their business will fail.
2. The government says that they will increase the taxes.
3. The secretary says that she will get credit reference letter in two days.
4. The lawyer states that the company won't be eligible for a loan.
5. He is sure that he will get a credit.
6. They suppose that the new product will be not so expensive.
7. He thinks he will buy the stove in the discount house.
8. He is happy that he will go on this business trip.

LESSON 15

INTERNATIONAL BUSINESS**Text**

The international corporation or global company has its origin. Usually it is the outgrowth of the great trading companies of the 17th and 18th centuries. In 1811 a New York statute said corporations could be created by the filing of documents. After that it became a matter of bureaucratic operations to become a corporation. By 1850 it was a very common thing in the United States and was under general statute in European countries as well. Since that time the corporate movement began. As the jet plane, satellite communications and computers began, it became possible for a company to control business in all the world.

The growth of international corporate operations is faster than the economic growth of the industrialized nations. There are some projects which predict that within a generation almost a half of the free world production will be internationalized.

This trend for internationalism presupposes some benefits such as new jobs, higher living standards and the closing of the gaps between people - economic, educational and technological. At the same time serious questions can be asked. Is it the most efficient way to use world resources? Can the international corporation be the best force for a better world? Is it politically stronger than government? Can it take care of the self interest and competitiveness on behalf of the greatest good? And in what way can the global company work toward easing the world's crises - monetary, political, energy and food?

Active Vocabulary

multinational corporation	международная корпорация
global company	международная компания
outgrowth	продукт, результат
statute	законодательный акт
satellite communication	спутниковая связь
closing of the gaps	сближение границ
jet plane	реактивный самолет
bureaucratic	бюрократический

Comprehension Questions

1. What is the origin of the multinational company?
2. When did the corporate movement begin?

3. Why did it become possible for a company to control enterprises on the other side of the globe?
4. How quickly is internationalism growing? .
5. What can internationalism bring?
6. What problems can arise with internationalism?
7. What are your own answers and explanations to this problems?

Vocabulary Practice

Exercise 1. Choose the necessary word and put it in the sentence.

- | | | |
|-------------------------------------------------------------------------------------------------------------------|--|------------------------------|
| 1. All countries must prepare for possible energy ... in the future and save fuel. | | 1 internationalized |
| 2. If you want to form a corporation today you must fulfil... operations. | | 2 statute |
| 3. When one deals with the currency of another country, it is necessary to know the current... exchange rate. | | 3 bureaucratic |
| 4.... is one factor to influence the growth of international business. | | 4 monetary |
| 5. Some analysts state that most of the free worlds production will be ... internationalized within a generation. | | 5 crisis |
| 6. In 1985 the ... said that cooperatives could be created. | | 6 satellite
communication |
| 7. International corporation is very often an ... of old trading companies. | | 7 outgrowth |

Dialogue

Nick and Ann are having lunch. Nick is an executive in the international computer company. Nick Do you like the idea of taking a month's trip to Europe and the Far East?

Ann What? You are kidding.

Nick No. First of all I must say that it's a business trip. The company wants me to visit some of our operations. I should have meetings about the new computer I am developing. They think if we combine expertise we'll advance more quickly.

Ann Oh, Nick. It's great. Where are we going to?

Nick To nine countries. We have nine development laboratories. In fact, only now I realize how large the company is, a real global company.

Ann But the company started here in America.

Nick Yes. In this sense, we're American. Each company has to be incorporated somewhere, here or in Japan or Canada or India. But our corporation is a real multinational one.

Ann What does it mean then?

Nick Well, we are in 126 countries and we have there 125000 employees. We do our business in 28 languages and more than 32 currencies. Our plants are situated in 13 countries and we have eight development labs.

Ann Now I see. You are multinational. But such industries as shipbuilding, aircraft, automobiles can't survive without selling abroad.

Nick Right. By the way, do you know that for the last seven years more than half of the corporation's net income has come from overseas business. We are the part of the world community.

Ann It's exciting, isn't it?

Nick Yes, now we really can feel that nations are tied to each other through business operations. This internationalism is our hope for a better world.

Ann Well it's time to pack.

Nick Later

Ann Nick, can you explain me why do you sell a computer to a company in Canada when the company has a plant in Canada?

Nick Well, Ann. For example, it's not unusual for a automobile company from Britain to manufacture automobiles in France for sale in Britain with Canadian-made engine, Swiss transmission and German axles. It's international business.

Ann But it is so complicated to sell the goods to a foreign company with different currencies and all that.

Nick I can tell you how we do.

Ann It's very interesting.

Nick When we deliver the machine to the shipping company, we receive a bill of lading. It's a receipt from the shipping company and it's also the foreign company's claim to the computer when it gets to England.

Ann And what's then?

Nick Then we write draft or check which direct the British company to pay a sum in British pounds to a third party in, let's say, 90 days. We call it a "bill of exchange", which includes the rate of exchange at the time and, in addition, the interest. It must be paid in the 90 day extension of credit.

Ann That is hard time getting the money, isn't it?

Nick No. We take the draft, the bill of lading and other necessary papers to our New York bank. The draft is sold at discount, it means without interest change, for the face value and get dollars. That's the way.

Ann Well, but you get your money from the bank. How

does the British company pay? Who do they pay?

Nick It's quite simple, New York bank sends the documents and the draft to its branch in London or to a British bank. The transaction is finished usually by accepting British pounds into a checking account in a London bank.

Ann It seems rather complicating.

Nick It only seems so. The US supplied a computer, exported the merchandise and got back a checking account deposit in a London bank, importing claim on British goods and services.

Ann Could you have dollars instead?

Nick Sure, but in this case we would have reduced the existing British claim on American goods and services.

Ann So what?

Nick If some nations pile up continuing capital surpluses and other continuing deficits the problem can arise in international economics.

Ann I see that I must study the subject thoroughly before we can continue. Nick Yes, may be.

Active Vocabulary

expertise -	специальные знания, компетентность
to advance -	продвигаться, двигаться вперед
to sell abroad -	продавать за границу
net income -	чистая прибыль; (амер.) доход, подлежащий
обложению налогами internationalism -	интернационализм
transmission -	пересылка
engine -	мотор
axle -	ось, вал
bill of lading -	квитанция, регистрирующая отгруженный
на судно товар	
receipt -	квитанция
claim -	требование
draft -	чек, трата
party -	(зд.) юридическая сторона
extension of credit -	продление кредита
face value -	чистая стоимость
branch -	филиал, отделение
to pile up -	накапливать, увеличивать
capital surpluses -	прибавочный капитал

Vocabulary Practice

Exercise 1. Use the structure of the model to respond the following sentences.

Model: Is it basically a Japanese corporation? (Yes) It's basically a Japanese corporation, isn't it? Is the overseas branch open? (No) The overseas branch isn't open, is it?

1. Are many businessmen piling up capital surpluses? (Yes)
2. Is USSR the part of the Common Market? (No)
3. Is the New York bank accepting Russian roubles? (No)
4. Is Britain one of the Common Market countries? (No)
5. Is the company starting a branch in China? (Yes)
6. Is internationalism a modern trend? (Yes)
7. Is the subject clear? (No)

Exercise 2. Change the sentences according to the model.

Model: Why would you sell automobiles to a company in Japan?
(Tell me, please)

Tell me, please, why you would sell automobiles to a company in Japan.

1. How does this bank deal with different currencies?(Explain)
2. Where will you deliver the computer? (Let me know)
3. When did they order the merchandise? (I don't know)
4. How did they sell the draft at discount? (It's hard to say)
5. How did they get the extension of credit? (Explain)

Exercise 3. Answer the questions.

1. Do you have plans for international cooperation for your business?
2. What obstacles are there on the way of development of international cooperation in this country?
3. What branches of business will develop fast in the sphere of international cooperation?
4. Do you think that internationalism will help to solve many social problems?
5. What place do you think this country will take in international economy?

Exercise 4. Translate into English.

1. Многие международные корпорации возникли в результате объединения известных компаний.
2. Спутниковая связь способствует развитию международных корпораций.

3. Банк затребовал чеки.
4. Компания просит продления кредита.
5. Обратитесь за кредитом в наш британский филиал.
6. Чистая прибыль от продажи этого товара будет очень высокой.
7. Нам необходимо накопить капитал для реконструкции производства.
8. Британская сторона отвечает за пересылку.

LESSON 16

APPLYING FOR A JOB

Text

1. Phoning for an application form

Before calling make a list of any questions you want to ask. Also, keep a pen and notepad besides the phone to write down details.

2. Filling in an application form

It is useful to do this on another piece of paper first. That way you can change and improve your answers before filling in the form itself. Also, keep a record of your final answers. It saves you time if you need to complete other forms in the future.

3. Writing a letter of application

Three tips here: 1. Write or type as clearly as possible.

2. Keep the letter brief and factual.

3. Print your name underneath your signature, like this...

Covering letter

Dear sir or madam!

I graduated from Krasnoyarsk state university in 1999. Now I am finishing my post-graduate studies to defend my candidate thesis this winter. My major is called the theory of literature, which includes the study of the history of Russian and foreign literature.

I am interested in working in the Russian department of your university as the teacher of Russian and Russian literature. In high school I gained experiences teaching Russian for foreign students. In your department I could assist in the teaching grammar, conduct a class in Russian conversation or give lectures on Russian literature.

If you are interested, please write me at the above address. I will look forward to hearing from you.

Sincerely,
J. Black

4. Resume

Resume is a list of your qualifications, work experience and interests. Again it should be easy to read, factual and brief. It also a good idea to use underlining and bold to make certain words and headings stand out.

John H.Mill
 38 Park Avenue, Ap. 50
 New York, N.Y. 11297
 Tel. (312) 493-8332

OBJECTIVE A position as a bookkeeper.

SUMMARY 12 years of experience in every routine work in
 this field. Perfect knowledge of computers and
 statistics.

QUALIFICATIONS Make up all kind of financial reports, balances
 and production planning.

EXPERIENCE

1990-1995 **FRISCO DOCKS,**
 San Francisco, California.
 Deputy Chief of Planning, Commerce Dpt.
 In charge of account books, statements, new
 ideas in planning.

1980-1990 **SAKHA Co,**
 New York.
 Accountant. Prepared accounts and balance
 sheets of every kind.

EDUCATION **LONDON SCHOOL OF ECONOMICS**
 London, Great Britain, Bachelor

PERSONAL Arrived in the United States January, 1980.
 British subject. Married, one child.

REFERENCES Available upon request.

5. Before an interview

It is important to be well-prepared before interview. First, find out as much as possible about the company in advance. You can get this information from your local Careers Advice Office. Secondly, write a list of questions which you want to ask at the interview.

6. Clothes

How you look at a job interview creates a strong impression. Wear clothes which are smart and comfortable but not *too* formal.

7. The interview

Make sure you get a good night's sleep before an interview. Also make sure you leave plenty of time to get there. During the interview itself be as calm, clear, friendly and positive as possible.

There are some 'tips' for a successful interview.

1. Before the interview ask a friend to ask you typical questions. Talk about your strong points using concrete examples from your current job.
2. Before the interview, write to the people who can give you references.
3. Arrive 30 minutes early on site 10 minutes early for the interview. Use the time to walk in the fresh air. When greeting the interviewer, smile, make eye contact and shake hands firmly.
4. Keep your answers short, simple and relevant - as you would in other business situation. Interviews are a dialogue so do not talk more than 60 - 70% of the time. If the interviewer wants more information, let him ask for it.
5. Occasionally take the initiative and ask questions to show you are interested.
6. Be enthusiastic and positive. Never contradict, agree or interrupt. Never criticize previous employers during the interview.
7. Do not be submissive, treat the interviewer with respect, but as an equal.
8. Do not ask questions about salary. If possible, wait for the interviewer mention it. ask for higher than you expect. If it doubt ask for your current salary plus 15%.
9. Immediately after the interview make notes: write down names, details about the organisation and especially company 'buzzwords'. If called for a second interview, make sure you use these.
10. Consider writing a short follow-up letter, after informal interviews where there was no clear job advertised. Express your pleasure in meeting everyone (list them by name), comment on one part of the meeting (something that emphasizes your qualifications), mention again the benefits you can bring to the company and why you would like to work there (include company buzzwords).

8. After an interview.

Make notes about what happened. If you go to other interviews in the future these notes could be extremely useful.

9. If you are offered the job.

Do not accept too quickly. Is this the right job for you? What do you think about the...money...prospects...hours...people you'd be working with?

10. The contract

If you decide to take a job, you'll probably be given a contract. Read it carefully. Are there any questions you want to ask? Remember, it's easier to make changes before signing than after.

Active Vocabulary

To have excellent references – иметь прекрасные отзывы

Supportive environment - хорошая рабочая обстановка

Officer – должностное лицо

Connections - связи

To discharge - уволить

Red tape – канцелярская работа

Deadline – конечный срок

Legal contract – трудовое соглашение

to pay interest on smth—выплачивать проценты по ч-л

to stop interest payment—приостановить выплату процентов

outstanding loan—неоплаченный заем

Eurodollar loan—заем, полученный на рынке евродолларов

non-income-producing loan — заем, не приносящий доход

dubious (doubtful) loan—заем, погашение которого вызывает сомнение

had loan — просроченный заем

to repay a loan — выплатить заем

to take over the chair—взять на себя обязанности председателя

to do smth via—делать ч-л посредством ч-л

to be mindful of smth—помнить о ч-л

to stand for smthi—поддерживать ч-л

to have one's say—изложить свою точку зрения

to run a bank—руководить банком

to accuse smth of mismanagement and fraud—обвинить к-л в некомпетентности и мошенничестве

to do smthi in a preemptive strike—нанести предупреждающий удар

to have smthi on a (short-term, medium, long, overnight)

deposit—держат в банке к-л сумму на к-л депозите

to brew (fig)—назревать

Comprehension Questions

Look at these typical 'difficult questions'. How would you answer them.

1. Perhaps you'd like to start by telling us about yourself?
2. So what have you learn from your previous job?
3. What would you say are your strong points?
4. And your weak points?

Exercise 1.

Interviewers need to see evidence of the following skills and personal qualities. Give examples from your previous experience.

Business skills	Ability to make money Ability to save money Ability to save time Ability to follow procedures
Professional skills	Honesty Pride in your work Ability to work in teams Analytical skills Reliability (you can be trusted)
Personal qualities	Communicational skills Listening skills Self-confidence Motivation and determination Friendliness and openness Right for the department Right for the company image

Exercise 2. Answer the questions.

1. Can you work under pressure - time pressure?
2. How do you take direction and criticism?
3. It sounds like you enjoy your work. Why do you want to leave your current job?
4. So what sort of challengers are you looking for?
5. And what are your career objectives?
6. Are you willing to go where the company sends you?

Grammar Exercises

Exercise 1. Make the sentences negative.

Model: They have held a meeting.

They haven't held a meeting.

1. The stockholders have elected the Board of Directors.
2. This corporation has issued the stock.

3. The Board of Directors has chosen i' company officers.
4. This company has greatly expanded.
5. We have already applied for a corporate charter.

Exercise 2. Translate into English.

1. На собеседовании мне задавали много вопросов.
2. Я собираюсь отправить свое резюме в расширяющуюся и преуспевающую компанию.
3. Я слышал от своих знакомых, что есть вакансия в вашем отделе продаж.
4. Я привык работать на себя.
5. Я с удовольствием принимаю ваше предложение.
6. С тех пор как я покинул свое прежнее место работы, я не могу найти себе подходящую должность.
7. Я надеюсь найти здесь хорошую рабочую обстановку.

ACTIVE VOCABULARY

abroad (adv) 15	[a'br :d]	за границей
absolute liability	['æbs lu:t ai 'bilitu]	неограниченная ответственность
accountant (n) 1	['kaunt nt]	бухгалтер
account for (v) 1	['kaunt]	отвечать за,
объяснять		
accounting (n) 6	['kauntɪŋ]	бухгалтерское дело
accounts receivable (n) 8	[a'kaunts ri'si:v bl]	счета дебиторов
adaptation (n) 8	[,ædæp'teiʃ()n]	приспособление,
перделка		
administrative (adj) 14	[ædministr etiv]	административный
administrative assistant (n) 4	[d'ministr tiv 'sist nt]	административный помощник
administrator (n) 4	[d'minist'reit]	администратор
advertise (v) 4	[,ædv taiz]	рекламировать
advertising (n) 9	[,ædv 'taiziŋ]	рекламирование,
реклама		
agency (n) 3	['eidʒ nsi]	представительство,
посредничество		
agent	['eidʒ nt]	посредник
middleman (n) 11	['midlmæn]	
analyst (n) 6	['æn list]	аналитик
annual (adj) 3	[ænju l]	ежегодный
Annual Report (n) 7	[ænju l ri'pɔ:l]	ежегодный отчет
applicant (n) 4	['æplik nt]	кандидат на должность,
ирегндент		
application (n) 3	[æplikeiʃ()n]	заявление
asset (n) 1	['æsel]	имущество
assets and liabilities	['æs ts and lai 'bilitiz]	актив и пассив
associate (n) 2	['souʃut]	партнер
association (n) 2	['sousi'eɪʃ()n]	общество,
ассоциация		
auditor (n) 6	[' :dit]	ревизор, контролер
authority (n) 4	[:o riti]	власть, полномочие
balance sheet (n) 6	['bæl ns ʃi:t]	балансовый отчет
benefits (n) 6	['ben fits]	льготы, преимущество
времени		
bill of lading (n) 15	[bil v]	квитанция,
региструющая		

	'leidiŋ]	погруженные товары
board of	[b :d v	
directors (n) 1	direkt z]	совет директоров
bond (n) 7	[band]	облвация, договорное
обязательство		
book-keeper (n) 1	['buk ki:p]	бухгалтер
borrower (n) 8	[ʼb rou]	заемщик
brand (n) 13	[brænd]	сорт, марка
brand-loyal (adj) 9	[brænd d oj l]	отааюиош
иредиочгение		
bureaucracy (n) 15	[bju()r kræsi]	бюрократа,
чинмовинкн		
bureaucratic (adj) 15	[bju()r kræuk]	бюрократическнн
business	['bizn s	консульгакг
consultant (n) 13	k n's,Alt()nt]	во бизнесу
buyer (n) 14	[bai]	покупатель
bylaws (n) (pi) 3	['bail :z]	регламент
calculator (n) 4	[,kælkju'leit]	калькулятор
candidate (n) 6	['kændidit]	кандидат
capital (n) 2	['kæpit]	капитал
capital	['kæpit	
surpluss (n) 15	s :p1 s]	прибавочный калигал
career (n) 8	k 'n]	занятие, профессия
cash register (n)	['kæʃ'redʒist]	касса, кассовый аппарат
calh on	['kætʃ' n]	становиться
(caught) (v) 10	[k :t]	популярным
certificate (n) 3	[s 'tifikit]	свидетельство сертификат
chain	[tʃeiu	
movement (n) 11	'muvm ut]	тенденция
объединению		
chain of	[tʃetn v	
command (n) 5	k 'ma:nd]	порядок иодчнвсаия
chain of	[lʃein av	способ (скстема)
distribution (n) 12	distn'bjusQn]	расирслеления
channel of	[lʃsni' ov	система
distrihution (n) 11	,distn'b]ui(a)a]	расирелелеш
charge (v) 8	[lʃa.dʒ]	вашачать, запрашивать цену
charitable (adj) 3	['t(antabl]	блаштворвтелшыи
charter (n) 3	['ij'a-.ia]	цатеет
chartered (adj) 8	[lʃa:iadl	миатеатоваивый
checking account (n) 8	['tʃe kiq a'kauni]	чековый счет
claim (n) 15	[kleim]	право, требование

classified section (n) 4 [k.la-si'faid	специальный отдел
газеты,	
sek{(s)n	содержащим рекламу
commercial bank (n) 8 [k^m9:J(3)l bank]	коммерческий банк
commission (n) 11 [k3'mi (3)n]	комиссионные,
комиссионное вознаграждение	
common stock (n) 7 ('kaman stak]	обыкновенные акции
compete (v) 13 [ksm'pilt]	конкурировать,
соревноваться	
competent (adj) 4 ['k3mpil(3)nt]	компетентный
competiton (n) 13 [k3mpi'liJ(3)n]	соревнование,
конкуренция	
competitiveness (n) 15 [kampilivnas]	соперничество, конку
реитосиособвость	
comproUer (eontroller) [ksnip'lrsula]	ревизор, нясиектор
[kan'trouls] computer (n) 6 [kam'pjuis]	компьютер
computer [kam'pjuta	производсгео компьютеров
industry (n) 14 'md.\siri]	
consumer (n) 11 [kan'sjuma]	иотребтель
cooperative (n) 12 (ls.o(u)'3 p(э)гэ liv]	кооператив
coordinate (v) 4 [ko(u)'o:dmeit]	согласовывать,
действовать сог.тасовааио	
corporate ['k3:p(3)nt	корпоративные финансы
finance (n) 7 fai'nans]	corporation (n) 3 [^э:рэгe1 (э)п]
к-ориорация, объединенне	credit (n) 5 ['kredil]
credit (v) 6 ['kredit]	кредитовать
creditor (n) 6 [kredils]	кредитор
credit reference ['kredit	рекомендательное,
кредитное	
letter (n) 8 'refra as 'lets]	письмо
credit terms (n) 13 ['kredit tsmz]	условия кредитования
crisis (n) 15 (pi. crises) ['lu- aisis]	кризис
currency (n) 8 ['k,\ r(3)nsi]	валюта, деньш
customer (n) 2 ['k-vstsms]	цосетитель
data (n) (pi) 14 ['deits]	даниые, факты
(употребляется с глаюлом в ед. н мн. числе)	
data processing (n) 14 [de'ts pra'sesig]	обработка нвформаци
deal (v) (dealt) 11 [dil]	заниматься (чем-либо),
торговать, иметь дело (с чем-, кем-либо)	
debt (n) I [^]	долг-
debt funding (n) 7 [del (л ndig]	коисо.тиднрованве аолга
delivery (n) 11 [d3'liv(a)n]	доставка
department (n) 14 [di'pa:tmant]	отдел, отделение

- department store (n) 14** [di'pa:tm3nt универсальный магазин]
- азни**
St3:]
- IS** [эБрэ:'и.г] **компететвосп.; эксперт.3.**
- export (v) 8** [As'pa-.l] **ВЫВОЗТЬ**
- extensive (adj) IS [ils.s'lenw] обчярны» Гасе
- value (n) IS V^ ^\^ вомша-тьвая етоуюсч.; ввдтая стоимость
- federal (adj) 3 ['!ed»al] федеральвыв бнансе(n)6 [^^]
фвваясы; девежвые отвошевв^ доходы; девы-в
- finance (v) 8** Ifai'nans] **фвааяснровать; иводавать в кредит**
- financial (ad) 6** [Гa1'пэд1(э)1] **фввавсовыв; матидв»**
- взаосы**
financial [fai'nsn\$(a)] **statement (n) 6** '^itmant]
- фи.а.совый отчет,**
financmg(n)l [fai'nensig] ф«вансвровавве
- finding (n) 10 [fa^3l открытве;вьпюд
- fire (v) 1 [faia] уволвть
- fiscal year (n) 6 [Г^(з)1]э:] фвяавсовый (бюджетные) год
- foreign ['farm обмен шосгр&ввох валюты
- exchange** iks't'eind3J **franchise (n) 12** ['rraea(t)|aiz]
- проялеси; льгота, предоставляемая**
каков-лвбо фирмок ив правительством
- general (У^епэг(э)1 partnership (n) 2 'raitnaJip] общее
- иар гаерство
- gentlemen's** ['dynthnanz **agreement (v) 11** ay'n'.mani}
- джентльменское соглашение**
global ['gloubal
- St .ipany (n) 15 'k.\mp3m] междувародвая ксмпав
- goods (n) (pi) 11 [gu:dz] товар; вмущество
- gross (adj) 6 [grous] крушый; це.тыв; брутто
- gross income (n) [grous 'inkarri " валовое доход guarantee (n) 12
[дгег(э)п'и.1 гаражтм; залог; иоручпель; тот, кому —оспся залог
- have an interest •меть долю в коммерческом
- in a business иредпряття
- head buyer (n) 14** [bed baia] **начялыпк отдела свабжевн**
- hire (v) I [haia] аалямать; агам» гь, брать напрокат
- hire-purchase (n) ['haia 'рэфэ] оокулка кя продажа в рассрочку
- home industry (n) ['houm отечесгвеша* промышленность
'indastn]
- import (v) 3 ^'impol] ввозжть, ямиортряровать
- income (n) ['inka m] доход, ирвход
- income** ['inkam
- statement (n) 6** sieitmant] **отчет о доходах**

income tax (n)	['ɪnkə m taks]	иодоходный налог
incorporate (v) 3	[ɪn'kɔ:pəreɪt]	объединять; оформлять как
юридическое лицо		
indirect channel (n)	[ɪndɪ'rekt]	непрямой способ распределения
	1(жп(э)1]	
industry (n) IS	['ɪndʌstri]	промышленность
inflow (n) 7	['ɪnfləʊ]	приток, доход
innovation (n) 3	[,ɪnəʊ(ɪ)'veɪʃ(ə)n]	нововведение, новаторство
inflation (n) 13	[,ɪnflə'teɪʃ(ə)n]	введение в должность;
установка, оборудование, размещение		
institution (n) 3	[,ɪnstɪ'tju:ʃ(ə)n]	учреждение; организация
insurance (n) 8	[ɪn'ʃʊr(ə)ns]	страхование, страховой полис
interest (n) 7	['ɪntərəst]	доля, имуществовое право
international (adj) 15	(.mɪtə'æʃ(ə)nəl]	международный
international	[,ɪntə'neɪʃ(ə)nəl]	exchange (n) 8
		iks'tʃeɪndʒ]
международный обмен		
international	[,ɪntə'neɪʃ(ə)nəl]	money (n)
		'mʌni]
(разг.) золото		
internationalism (n) 15	[,ɪntə'neɪʃ(ə)nəlɪzəm]	интернационализм
internationalized	(adj)	15[ɪntə'neɪʃ(ə)nəlaɪz]
интернационализированный;		
объявленный открытым для международного пользования		
interview (n) 4	['ɪntəvju:]	деловое свидание; интервью
interview (v) 4	['ɪntəvju:]	интервьюировать, иметь
беседа		
inventory (n) 7	['ɪnventri]	инвентаризационная опись;
мост; инвентаризационный реестр		
inventory control (ч) 14	['ɪnventri	инвентаризационный
	..--	контроль!
	kan'lrot.J	
invest (v) 2	[mɪn'vest]	вкладывать деньги, капитал
investment (n) 3	[ɪn'vest(mə)nt]	капиталовложение;
предприятия ценные бумаги, куда вложены ИВ; вклад;		
капитальные затраты		
investor (n) 6	[ɪn'vestə]	вкладчик
issue (v) 3	['ɪʃu:]	выпускать; пускать в обращение
joint account (n)	[dʒɔɪnt s'kaʊnt]	общий счет в банке
joint bonds (n)	[dʒɔɪnt bɒndz]	совместные (долговые)
обязательство		
joint venture (n) 2	[dʒɔɪnt 'ventʃə]	совместное предприятие
legal (adj) 3	('li:g(ə)l]	юридический, правовой, законный
legal tender (n)	['ч:д(э)1 'tendə]	законное платежное
средство		

lending (adj) 8	[ˈlɛndɪŋ]	ссуженный, одолженные,
кредитованный		
lending(n)	[ˈlɛndɪŋ]	кредитования, ссуда, займ,
выдача		
letter of credit (n) 8	[ˈlɛtə ə v ˈkrɛdɪt]	аккредитив, кредитное
инсьмс		
liability (n) 1	[ˈlaɪəbɪləti]	ответственность, (мн.)
денежн обязательства		
liability for damages (n)	[ˈlaɪəbɪləti fɔr ˈdæmɪdʒ]	ответственность за
убытки		
Гэ ˈdɪsmɪdɪz] liable(adj)2	[ˈlaɪəbəl]	несущий
ответственность, оодежащий чему-либо		
liable to income-tax	[ˈlaɪəbəl tu: ɪnˈkʌm tæks]	облагаемый иодоходным
на-к		
ˈɪnkəməntɪd] limited liability (n) 2	[ˈlɪmɪtɪd]	ограниченная
ответственносп		
laɪəbɪləti]		
line (n) (10)	[laɪn]	партия товаров, серия видели
line of credit (n) 8	[laɪn əv ˈkrɛdɪt]	линия кредита
Une position (n) 5	[laɪn pəzɪʃən]	.'шнейиая должность
Soaa (n) 8	[ləʊn]	заем, ссуда
loan-bank (n)	[ˈləʊnbæŋk]	ссудный банк
iaan certiBcate	[ˈləʊn sɜrtɪfɪkət]	долговая расписка
ioan holder (n)	[ˈləʊn haʊldə]	кредитор ио закладной
loan-society (n)	[ˈləʊn sɔsɪəti]	касса взаимопомощи
los. ˈeader (n) 13	[lɔs ˈeɪdər]	товар, продаваемый с
убыткoм с		
целью привлечения иокупателей		
manage (v) 5	[ˈmænɪdʒ]	управлять, руководить
management (n) 2	[ˈmænɪdʒmənt]	управление, дирекция, адм—
страци		
manager (n) 3	[ˈmænɪdʒər]	руководитель, хозяин, менеджер
manufacture (v)	[ˌmænɪfæktʃər]	ионзводить
manufacturer (n) 11	[ˌmænɪfæktʃər]	аредпрнннматель,
арoзводнтель		
manufacturing	[ˌmænɪfæktʃərɪŋ]	
water (n)	[ˈwɔ:tər]	промышленные сточные воды market
(v) 9	[ˈmɑ:kɪl]	продавать, находить рынок сбыта, торговать
marketing (n) 5	[ˈmɑ:kɪtɪŋ]	торговля, предмет торговля
marketing	[ˈmɑ:kɪtɪŋ]	
research (n) 9	[riːsɜ:tʃ]	исследование рынка
market place (n)	[ˈmɑ:kɪt pleɪs]	рыночная площадь
market price (n)	[ˈmɑ:kɪt praɪs]	рыночная цена
market-value (n)	[ˈmɑ:kɪt vɛljʊ]	рыночная стоимость

market-rate	[ˈmɑ:kɪl reɪt]	биржевой курс
merchant (adj)	[ˈnɪəntʃ(a)n]	торговый, коммерческий
merchant law (n)	[ˈmɜ:tʃlɔː]	торговое право
model (n) 15	[ˈmɒdl]	модель, образец
modification (n) 10	[ˌmɒdɪfɪˈkeɪʃn]	модификация, видоизменение, " изменение
monetary (adj) 15	[ˈmɒnɪt(ə)rɪ]	денежный, валютный
multinational	[ˌmʌltɪˈnæʃnəl]	
correlation (n)	[ˌkɒrɪˈleɪʃn]	международное объединение
negotiable (adj)	[ˌneɡɔːɪəbəl]	могущий быть купленным, проданным negotiable securities
	[niˈɡɔːɪjzəbəl]	оборотные ценные бумаги
	[ˌsækjʊntɪz]	
negotiable instrument	[niˈɡɔːɪjzəbəl ɪnˈstru:mənt]	оборотный документ
(document) (n)		
negotiable copy (n)	[niˈɡɔːɪjzəbəl ˈkɒpi]	действительный экземпляр
negotiate (v)	[əˈneɪʃɪət]	договариваться, пускать в обращение, получить или уплатить деньги, продать negotiate a loan
	[niˈɡɔːɪjzəbəl]	получить заем
a loan] negotiate a sale	[niˈɡɔːɪjzəbəl ˈseɪl]	заклучить сделку на продажу това-
		э seil]
net (adj) 6	[net]	чистый, нетто
net assets (n)	[ˌnet ˈæsɪts]	стоимость имущества за вычетом
обязательств net cash (n)	{net kæʃ}	наличными без скидки net
cost(n)	[net kɔːst]	чистая стоимость
net proceeds (n)	[net prəˈsiːdz]	чистая выручка
net surplus	[net ˈsɜːplʌs]	нераспределенная прибыль
net worth (n) 6	[net wɜːθ]	стоимость имущества за вычетом
обязательств		
net (v)	[net]	приносить (получать) чистый доход
nonprofit (adj)	[ˌnɒnˈprɒfɪt]	некоммерческий, не ставящий целью извлечение прибыли
note (n) 7	[nəʊt]	долговая расписка, простой вексель, банкнота,авизо
notes in	[ˈnəʊts ɪn]	
circulation (n)	[ˌsɑːkjuːˈleɪʃn]	банкноты в обращении
notes payable	[ˈnəʊts peɪəbəl]	векселя к платежу

notes receivable	[nouts re'si:v(a)bl]	векселя к получению «a off-even	[,э f ivan
цена, не доходящая до круглой	pricing (n) 13	,praisin]	цифры и психологически
стимулирующая иокучателя	officer (n) 3	['afisa]	должностное лицо, член
правления	operation (n) 11	[^э рэ'ге (\э)п]	действие, торговая или
финансовая	операция, сделка		
	operations on the stok	[apereitns	биржевые операции
	эп stak]		
	exchange order (n) 5	[iks'tJemdj]	порядок,
последовательность, ['3:d3]			распоряжение, приказ, вексель,
заказ	order payable at sigiht	['э:c1э peiabi	вексе.ц, на предъявителя
	at sail]		
organization (n) 4	[,3:qan(a)i'zeiJ(3)n]		организация
organizational	[_э :цэп(a)l'ге эп1		организационная схема
(производит			
cbart (n) 5	lJa:t]	ва)	
outflow (n) 7	['aulfiou]	отток (денег)	
packaging (adj) 9	['pskidjin]	укладывание, упаковка	
paper work (n) 4	['pelpa wa:k]	канцелярская работа,	
проверка			
документов			
partnership (n) 1	['pa:1пэ 1p]	товарищество, компания,	
компаньоны			
patent (n)	['peit(s)nt]	патент	
paycheck (n) 6	['peitJek]	платежный чек	
personnel (n)	[,p3:s3'nel]	персонал, кадры	
personnel office (в)	(^рэ:зэ'пел'afis]	отдел кадров	
plant (n) 3	[pla:nt]	завод, фабрика, оборудование	
policy (n) I	['palisi'	политика, страховой иолис	
portfolio (o) 7	[po:i louljou]	портфель, должность, (амер.)	
перечень ценных бумаг (банка • т. л).			
position (n) 4	[рэ а}(\э)п]	должность, место	
predict(v) 7	[pn'dikt]	предсказывать, предварять	
preferred(adj) 8	[pn'fa:d]	привилегированный	
prefen-ed debt (n)	[pn'f3:d	Д0.1Г, иоi ашенными в первую	
очередь			
det] place an order (v) 11	['pleis за	заказать, поместить	
заказ			

'3:da]	preferred dividend	[pn'fad	дивиденд по
привлекательным			
'dividend]	акциям		
preferred-	short	[pɪ'tɛ :d •	привлекательная акция,
акция с			
Jt;a]	фиксированным дивидендом		
preference (n)		['pɪeC(ə)ɪ(ɔ)ntɪs]	льготная таможенная
пошлина			
pressure (n)		Γpɪe ə]	давление, затруднительные
обстоятельства			
price	fprais		продажа товара не за счет цены,
dfr-emphasis (n) 13	d'anfa sis]		а за счет других факторов
price emphasis (n) 13	[prais		продажа товара за счет низков
цены			
'апΓэ as]	price leader (n) 9	[prais	производитель,
продающая товар по			
Б э]	самой низкой цене		
price sensitive (adj) 9	[prais		- •" чувствительным к
изменению цены			
'sense tiv]			
pricing (n) 13	['praisɪr,		калькуляция цен prime cost (n)
[pi-ami kost]	себестоимость	prime rate (n) 8	[praɪn reɪt]
наименьший процент на ссуду,			
устанавливаемый банком			
procedure (n) 3	[pra'u-.dy]		процедура, судопроизводство,
операция			
product (n) 10	['prod.\kt]		продукт, изделие
product	[prad.'Jd		
development (n) 10	di'velapɪnsnt]		развитие производства
production (n) 5	[pr^(L)\kɪ(3)n]		производство, продукция,
производительность			
production of	[prɜ'd^\lcɪ(a)z		производство предметов
потребления			
commodities	ks'madɪtɪz]		
product planning (n) 9	['proɪskt		планирование производства
plæmɪŋ]	profit (n) 1	['prafɪt]	доход
profit and loss	['prɒfɪt and		отчет по прибыли и убыткам
statement	,bs 'steɪtmənt]		
profit and loss account	['pɪfɪt and lɒs		счет прибылей и
убытков			
akaunt]			
profitable	['pɪfɪtəbəl]		доходный, прибыльный,
рентабельным			
profitable rate of	['prafɪtəbəl reɪt		выгодный курс валюты

exchange	av	iks'tJemdj]	
promote (v) 9		[pra'mout]	содействовать продаже
promote trade		[pra'mout t'reid]	содействовать развитию торговли
promote an undertaking		[prɛ'mout aa	учредить предприятие
Anda'leikig]			
promoters' shares		[prɛ 'mountas Ja:s]	учредительские акция
promotion		[prɛ'juoi(ə)π]	содействие, основание (акционерного общества • т. д.), содействие в иродаже
promotion man		[prɛ 'шои(ə)π man]	иосредннк,
агент proprietorship (п)		[prɛ'praɪtafɪp]	право собственности.
prospective (adj) 4		[pras'pekli:v]	ожидаемый, предполагаемый
purchase (n) 11		['pɜ:tʃas]	юдовой доход, стоимость
purchase order (п) 11		['pɜ:1 ə5	требование на приобретение, ио-
'3:da]		куику quote (п) 11	[kwout] установка цены
raise (п) 11		[reɪz]	увеличение, ирнбавка (к -мрилате)
ratio analysis (п) б		['reɪJlou	анализ коэффициентов
anslisis]			
receipt (n)		[n'si:t]	расииска в получении, квитанция, (мп.) денежные иостуиления, доход
receipt and		[n'3'i:t sod	приход и расход expenditure
iks'pendɪl a]			
(expenses) receptionist (n) 3		(n'sepJsnisi]	секретарь, ведущий чрием цосети-
телей record (n) б		[reka:d]	запись, учет, данные, (ми.)
документация record (v) б		[n'ko'd]	записывать, протоколировать
red tape (n) 4		['red 'telp]	волокита, канцелярская, прово-
лочка, бюрократизм			
region (n) П		['n:dʒ(3)n]	область, район, зона, сфера
report (n) 14		[п'рɛ :t]	доклад, сообщение, отчет
report (v) б		[n'pɜ:t]	сообщать, делать отчет
research (n) 3		[ri'sa:t]	исследование, нзучение
research (v) 3		[n'S3:tJ]	исследовать
Research and		[n's3:tf and	отдел исследования и развития /
Development (n) 9		di'velapmsnt]	производства
resources (n) (pi.) 2		[n'so-siz]	ресурсы, запасы, источник информации
resume (n) 4		['reju(')meɪ]	резюме, итоги, выводы

retailer (n) 11	— [ril'teila]	розничный торговец,
лавочник		
retailing (n) 12	[rr.'teitigl]	продажа в розницу
Return of Investment	[п'з:п зу investmant]	коэффициент возвращения инвестиций
Rado (n) 6	'reijioʊj	rights (n) 7 [raits] права,
привилегии		
safety deposit box (n) 8	['seifu di'pozit boks]	сейф для хранения депозитов
salary (n) 1	['saelan]	жалованье,
оклад		
sales (n) 6 (pi.)	[seilz]	распродажа по сниженным ценам
sales check (n) 14	[seilz t(ek)]	торговый чек
sales clerk (a) 14	[seilz kla:k]	торговый служащий
So. ing account (n) 8	['seiviq 3'kaunt]	сберегательный счет
secretary (n) 8	['sekrain]	
секретарь, руководитель		
secret partner (n) 2	['si:krit	" секретный партнер
'pa:ʃv].. services (n) (pi.)	•('sa:v]M]	услуги snare (n) 7
Ц^а]	доля, акция	
short-tenn loan (n) 8	[JoA'tam 'loun]	краткосрочный заем
silent partner (n) 2	['sailant 'pa:ln^	
партнер, не имеющий права голоса		
single line retaaer (n) 12	(smql lain riileila]	розничный торговец, продающий один вид товара
span of control (n) 5	[spsen э v kan'tral]	сфера подчинения
specialist (n) 5	['spe^alist]	специалист
staff position (n) 5	[sta.f pa'a{(э)п]	штабная должность
statement (n)	[steitmant]	официальный отчет,
ведомость, • выписка счета		
statute (n) IS	['ststju:t)	законодательный акт, устав
stock (n) 2	[stok]	капитал, акция, фонд
stock (n) 11	[stokl]	ассортимент
stock (v) 11	[stak]	снабжать, иметь в продаже,
запасы		
stockbroker (n) 7	['stak, brouka]	биржевой маклер
stockholder (n) 3	['stok, houldal]	акционер
subordinate (n) 5	[sa'to-.dmit]	подчиненный
sue (v) 3	[sju:]	возбуждать дело
superior (n) 5	[sjuO'piana]	начальник, старший
supervise (v) 3	['sju:p9 vaiz]	наблюдать, заведовать
supply and demand (n) 13	[se'plai and da'ma'.nd]	
спрос и предложения		

take title (v)	[leik 'taitl]	присваивать
tape (n) 14	[teip]	лента магнитофонная, телеграфная
tax (n) (pl. taxes) 1	[ueks]	налог
	[takas]	
technical (adj) 2	[tek.nik(3)l]	технический,
промышленный, специальным		
terminal (n) 14	['tsminl]	конец, вывод, терминал
trade-in	['treid 'in	сумма денег, получаемая за старый
allowance (n) 13	alauans]	товар • входящая в стоимость
нового		
traffic (n) 9	['tncfik]	грузооборот, торговля
transaction (n) 6	[tran'BEk^nl	сделка, дело
transmission (n) 15	[tr3nz'mij(3)n]	передача, пересылка
trend (n) 9	[trend]	направление, тенденция
union (n) 6	['ju:npn]	объединение, союз,
профессиональный союз		
unit cost (n) 13	[jutut least.]	цена отдельного товара
unilimitti liability (n) 1	[,\n'limitid	неограниченная
юридическая laia'biliU] ответственность		
utility (n) 3	['ju(:)'lilili]	предприятие общественно
пользования, коммунальное сооружение		
utility services (n) 13	[ju(:)'tiliti	коммунальные услуги и
'savisiz]	vending machine (n) 12	торговый автомат
m3'\$i:n]	volume (n) 6	объем, количество,
масса		
vote (v) 3	[voul]	голосовать
warehousing (n) 14	['weahauzn}	складирование
wholesaler (n) 11	[Boil, seila]	ош-овый торговец
wholesaling (n) 11	['houl, seilu)]	оптовая торговля
'	wholesaling (adj) 11	['houl, sei'lii)] оигом \-
year-end	[ja:end]	конец бюджетного года

Данное учебное пособие предназначено для широкого круга читателей, которым необходимо овладеть навыками делового общения на английском языке. Пособие содержит в себе материал по самой актуальной тематике: виды предпринимательства, банки, бухгалтерский учет, оптовая торговля, ценообразование и т. д.

Овладение материалом пособия поможет **Вам** в деловой поездке за рубеж, при заключении контракта, квалифицированно провести переговоры с представителями иностранных фирм в нашей стране. •

Учебное пособие может быть рекомендовано как для групповых занятий под руководством преподавателя, так и в качестве самоучителя.