## PHOTOCOPIABLE ACTIVITY 6

## Peaks and troughs



## Student A

Describe the graph about last year's sales to student $B$.

## Company: Ventura

Product: Aminga (drug to help reduce effects of plant allergies)


Listen to student B and draw the graph.
Company:
Product:
$\square$

## Student B

Listen to student A and draw the graph.
Company:
Product:
$\qquad$
$\square$

Describe the graph about last year's sales to student A.

Company: Tracks Unlimited
Product: Scuba-diving holidays by the Red Sea


## Negotiations

## BACKGROUND INFORMATION

Inner Sunlite, a leading tour operator based in Graz, Austria, in business for 20 years. Co-owned 60:40 by Sam Simon and Niki Schwartz respectively. Financial difficulties since 2001. Also publishes a series of guide books, 'Two-Step Guides' - sales have increased 10 -fold since 2002. Sam and Niki no longer wish to work together. Niki wishes to develop the publishing side of the business. Sam will continue with the holiday business. Sam and Niki meet to discuss a deal on various options for ownership in each business, as well as compensation payment.

Sam Simon:
As Managing Director of Inner Sunlite tours, you are confident that you can get the business back on its feet. You wish to have a financial interest in the new guide book business. You may be able to encourage your customers to buy guide books, so your ex-partner may be grateful to have your continued help here. Ready cash is short, so compensating Niki Schwartz financially is difficult, especially in the short term. You may need to consider taking out a bank loan.

|  | 3 | 2 | 1 | Your total: |
| :--- | :--- | :--- | :--- | :--- |
| Your ownership of Inner <br> Sunlite after separation | up to $100 \%$ | $85-99 \%$ | $85 \%$ or less |  |
| Payment compensation you <br> are offering to Niki | $€ 300,000$ or less | $€ 301,000-400,000$ | $€ 401,000$ or more |  |
| Payment compensation dates | Up to 20\% now, <br> rest after twelve <br> months | $20-50 \%$ now, <br> rest after six <br> months | $51 \%$ or more now |  |
| Your ownership of Two-Step <br> after separation | $51 \%$ | $26 \%-50 \%$ | $25 \%$ or less |  |

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Niki Schwartz:
As Executive Director of Inner Sunlite tours, you have recently been part of a team developing Two-Step Guides. The new venture is risky, as the market is very new, so you need ready money to promote it fast. However, having been involved from the start with the 'old' company, you are reluctant to give it up completely, and want to keep a financial interest in it. Clients interested in your guide books may well be interested in the holiday offers your ex-partner can offer.

|  | 3 | 2 | 1 | Your total: |
| :--- | :--- | :--- | :--- | :--- |
| Your ownership of Inner <br> Sunlite after separation | $20 \%$ or more | $15 \%$ | $10 \%$ or less |  |
| Payment compensation you <br> are offering to Niki | $€ 500,000$ or more | $€ 400,000-499,000$ | $€ 399,000$ or less |  |
| Payment compensation <br> dates | one-off $100 \%$ <br> payment now | $50-99 \%$ now, <br> rest within 3 <br> months | Up to 49\% now, <br> rest in twelve <br> months |  |
| Your ownership of Two-Step <br> after separation | $100 \%$ | $75-99 \%$ | $74 \%$ or less |  |

