

CAMBRIDGE

BUSINESS VOCABULARY IN USE

Self-study and
classroom use
Third Edition

Intermediate

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with answers

Experience
Better
Learning

1

Work and jobs

A

What do you do?

To find out what someone's job is, you ask 'What do you do?'

Kerstin talks about her job:

'I **work for** a large European car maker. I **work on** car design. In fact, I **run** the design department and I **manage** a team of designers: 20 people **work under** me. It's very interesting. One of my main **responsibilities** is to make sure that new model designs are finished on time. I'm also **in charge of** design budgets.

'I **deal with** a lot of different people in the company. I'm **responsible for** coordination between design and production: I **work with** managers at our manufacturing plants.'

Note

in charge of + *noun*

responsible for + *verb + -ing*

responsibility + *infinitive / -ing*

One of my responsibilities is to make sure that ...

One of my responsibilities is making sure that ...

You don't say: 'I'm a responsible.'

B

Word combinations with 'work'

If you **work** or **have work**, you have a job. But you don't say that someone has 'a work'. **Work** is also the place where you do your job. You don't say for example, 'at the work' or 'to the work'.

Here are some phrases with 'work'.

The economy is growing fast and more people are **in work** – have a job – than ever before. The percentage of people **out of work** – without a job – has fallen to its lowest level for 30 years.

Frank talks about his job:

'I work in a bank in New York City. I leave **for work** at 7.30 every morning. I **go to work** by train and subway. I **get to / arrive at** work at about 9. I'm usually **at work** till 6. Luckily, I don't get ill very much so I don't often take **time off work** – away from work due to illness.'



C

Types of job and types of work

A **full-time job** is one for the whole of the normal working week; a **part-time job** is for less time than that. You say that someone **works full-time** or **part-time**.

A **permanent job** does not finish after a fixed period; a **temporary job** finishes after a fixed period.

You talk about **temporary work** and **permanent work**.

Exercises

1.1 Look at A opposite. Margaux is talking about her work. Correct the expressions in italics.

'I work for a large French supermarket company. It is an international company and **(1)** I work *about* the development of new supermarkets abroad. **(2)** In fact, I *running* the development department and **(3)** I *am manage* for a team looking at the possibilities in different countries. It's very interesting. **(4)** One of my *main* is to make sure that new supermarkets open on time. **(5)** I'm also *charged with* financial reporting. **(6)** I deal *at* a lot of different organizations in my work. **(7)** I'm *responsible of* planning projects from start to finish. **(8)** I work closely *near* our foreign partners, and so I travel a lot.'



1.2 Complete each gap in the text with one of the prepositions from B opposite.

Rebecca lives in London and works in public relations. She leaves home for work at 7.30 am. She drives **(1)** work. The traffic is often bad and she worries about getting **(2)** work late, but she usually arrives **(3)** work at around 9. She finishes work quite late, at about 8. 'Luckily, I'm never ill,' she says. 'I could never take time **(4)** work.'

She loves what she does and is glad to be **(5)** work. Some of her friends are not so lucky: they are **(6)** of work.

1.3 What is being advertised in each of these job advertisements (1–6)? Use an expression from C opposite, including the words in brackets. The first one has been done for you.

1	Librarian required for public library, afternoons 2 till 6. (job) Apply now	a part-time job
2	Personal assistant needed for busy office, 9 am to 5.30 pm. (work) Apply now	
3	Experienced barman wanted, 8 pm until midnight. (work) Apply now	
4	Teacher needed for summer course, 1 to 31 August. (job) Apply now	
5	Salesman required for showroom – good prospects for right person. (work) Apply now	
6	Lawyer wanted for law firm – long hours, 4 weeks holiday per year. (job) Apply now	

Over to you

If you work, answer these questions.

- What do you do? What are you in charge of? What are your responsibilities?
- What time do you leave for work? How long does it take you to get to work? What time do you arrive at work? Do you take a lot of time off work?
- Why do some people prefer to work part-time or to have temporary jobs?

If you don't work, answer these questions.

- What sort of job would you like to do?
- What sort of routine would you like to have?

2

Ways of working

A

Working hours

'I'm an **office worker** in an insurance company. It's a **nine-to-five** job with regular **working hours**. I need my **swipe card** to get into the office. The work isn't very interesting, but I like to be able to go home at a reasonable time.'

Note

You can also say **clock in** and **clock out**.

Note

BrE: **flexitime**
AmE: **flextime**

'I'm in computer programming. There's a system of **flexitime** in my company, which means we can work when we want, within certain limits. We can start at any time till 11, and finish as early as 3 – as long as we do enough hours each month. It's ideal for me as I have two young children.'

'I work in a car plant. I work in **shifts** and I have to **clock on** and **clock off** at the beginning and end of every shift. I may be on the **day shift** one week and the **night shift** the next week. It's difficult changing from one shift to another. When I change shifts, I have problems changing to a new routine for sleeping and eating. When the company is selling lots of cars, they ask us to work **overtime** – more hours than usual for more money.'

'I'm a commercial artist in an advertising agency. Unlike most other people in my department who **commute** to work every day, I **work from home** and avoid the long journeys that some **commuters** experience every day. That's the benefit of **teleworking** or **telecommuting** – working from home and using the computer and phone to communicate with other people.'



Swiping a card

B

Nice work if you can get it

All these words are used in front of **job** and **work**.

- **satisfying, stimulating, fascinating, exciting** – the work is interesting and gives you positive feelings
- **dull, boring, uninteresting, unstimulating** – the work is not interesting
- **repetitive, routine** – the work involves doing the same things again and again
- **tiring, tough, hard, demanding** – the work is difficult and makes you tired

C

Nature of work

My work **involves**
I **like / dislike / prefer / enjoy**

+ *noun*
human contact
long hours
teamwork

+ *-ing*
working with figures
dealing with customers
solving problems

Exercises

2.1 Look at the six expressions (a–f) from A opposite. Which person (1–6) is most likely to do each of the things described?

- | | | |
|---|--------------------------|---|
| a work in shifts | <input type="checkbox"/> | 1 A designer in a website design company. Has to be in the office, but can decide when she wants to start and finish work each day. |
| b work under a flexitime system | <input type="checkbox"/> | 2 A manager in a department store in a large city. Lives in the country. |
| c telecommute | <input type="checkbox"/> | 3 A construction worker on a building site where work goes on 24 hours a day. |
| d commute to work | <input type="checkbox"/> | 4 A worker in a chocolate factory in the three months before Christmas. |
| e clock in and out at the same time every day | <input type="checkbox"/> | 5 A technical writer for a computer company. Lives in the country and visits the company offices once a month. |
| f work overtime | <input type="checkbox"/> | 6 An office worker in a large, traditional manufacturing company. |

2.2 Look at the words and expressions in B and C opposite. Five people describe their jobs. Match the jobs (1–5) with the descriptions (a–e) and put the words in brackets into the correct grammatical forms.

1 accountant 2 postwoman 3 flight attendant 4 software developer 5 teacher

- a 'Obviously, my work involves (travel) a lot. It can be quite physically (demand), but I enjoy (deal) with customers, except when they become tired and anxious about arriving. This doesn't happen often, but it can be very frustrating for us and the other passengers.'
- b 'I love my job. It's very (stimulate) and not at all (repeat): no two days are the same. The children are fine: you see them learn and develop. The parents can be more of a problem.'
- c 'I was good at maths at school and I like (work) with figures. But my job is much less (bore) and routine than people think. The work (involve) a lot of human contact and teamwork, working with other managers.'
- d 'You've got to think in a very logical way. There's a lot of teamwork between the developers. The work can be mentally (tire), but it's very satisfying to write a program that works.'
- e 'Of course, it involves getting up quite early in the morning. But I like (be) out in the open air. And you get a lot of exercise. I walk two or three miles every day.'

Over to you

If you work, answer these questions.

- Do you have a nine-to-five job? Do you have to clock on and off? Is there a flexitime system in your organization? Are there people who do shiftwork in your company?
- Could you do your job working from home? If so, would you like to?
- What do you like most about your job? What do you like least?

If you don't work, answer these questions.

- What sort of working hours would you like to have when you start working?
- Would you like to work from home?
- What kind of job would you like? Complete this sentence in five ways to talk about yourself.

I'd like a job that involves ...

3

Recruitment and selection

A

Recruitment

The process of finding people for particular jobs is **recruitment** or, especially in American English, **hiring**. Someone who has been **recruited** is a **recruit**, or in AmE, a **hire**. The company **employs** or **hires** them and they **join** the company.

A company may recruit employees directly or use outside **recruiters**, **recruitment agencies** or **employment agencies**. Outside specialists called **headhunters** may be used to find people for very important jobs and to persuade them to leave the organizations they already work for. Key people recruited like this are **headhunted** in a process of **headhunting**.

B

Applying for a job

Fred is an accountant, but he was fed up with his old job. He looked in the **situations vacant** pages of his local newspaper, where a local supermarket was advertising for a new accountant's position. He **applied for** the job by completing an **application form** and sending it in.

Harry is a building engineer. He'd been working for the same company for ten years, but he wanted a change. He looked at jobs with different engineering companies on a **jobs website**. He **made an application**, sending in his **CV** (**curriculum vitae** – a document describing your education, qualifications and previous jobs, that you send to a prospective employer) and a **covering letter** explaining why he wanted the job and why he was the right person for it.



An application form

Note

Situation, post and **position** are formal words often used in job advertisements and applications.
BrE: **CV**; AmE: **résumé** or **resume**
BrE: **covering letter**; AmE: **cover letter**

C

Selection procedures

Dagmar Schmidt is the head of recruitment at a German telecommunications company. She talks about the **selection process**, the methods that the company uses to recruit people.

'We advertise in national newspapers and on the internet. We look at the **backgrounds** of **applicants** – their **experience** of different jobs and their educational **qualifications**.

Note

Internet is sometimes written with a capital letter when it is a noun.
internet (noun): mostly BrE
Internet (noun): mostly AmE



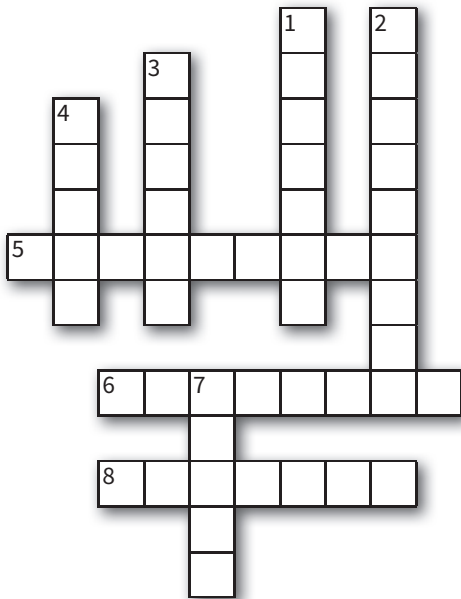
A job interview

'We invite the most interesting **candidates** to a **group discussion**. Then we have individual **interviews** with each candidate. The head of the department is also present. We also give the candidates written **psychometric tests** to assess their intelligence and personality.

'After this, we **shortlist** three or four candidates. We check their **references** by writing to their **referees** – previous employers, teachers, and so on that candidates have named in their applications. If the references are OK, we ask the candidates to come back for more interviews. Finally we **offer** the job to someone, and if they **turn it down** we have to think again. (Some applicants may get other **job offers** at the same time as ours.) If they **accept** it, we hire them. We **appoint** someone only if we find the right person.'

Exercises

3.1 Complete the crossword with the correct form of words from A, B and C opposite.



Across

- 5 I phoned to check on my application, but they said they'd already someone. (9)
- 6 This job is so important; I think we need to someone. (8)
- 8 The selection procedure has lasted three months, but we're going to someone next week. (7)

Down

- 1 and 2 I hope she the job, because if she it, we'll have to start looking again. (7, 5, 4)
- 3 The last applicant was very strong, but I understand he'd had two other job already. (6)
- 4 They've finally a new receptionist. She starts work next week. (5)
- 7 Computer programmers wanted. Only those with UNIX experience should (5)

3.2 Now divide the words in 3.1 into two groups.

- 1 what a company personnel department does
- 2 what a person looking for work does

3.3 Replace the underlined phrases with correct forms of words and expressions from A, B and C opposite.

Fred had already **(1)** refused two job offers when he went for **(2)** a discussion to see if he was suitable for the job. They looked at his accountancy degree and contacted **(3)** previous employers. Fred had mentioned in his application. A few days later, the supermarket **(4)** asked him if he would like the job and Fred **(5)** said yes.

Harry didn't hear anything for six weeks, so he phoned the company. They told him that they had received a lot of **(6)** requests for the job. After looking at the **(7)** document describing his education, qualifications and previous jobs of the **(8)** people asking for the job and looking at **(9)** what exams they had passed during their education, the company had **(10)** chosen six people to interview and then given them **(11)** tests on their personality and intelligence. They had then given someone the job.

Over to you

If you work, answer these questions.

- Where did you see the jobs advertised?
- What did you send to apply for the job?
- What was the selection procedure?

If you're a student, answer these questions.

- When you applied for your course did you use an online application form or send an application in?
- Did you need to provide referees?
- Did you have an interview?

4

Skills and qualifications

A

Education and training

Two company managers, Kasia Gutowska and Nils Olsen, are talking.

- KG: The trouble with **graduates** – people who've just left university – is that their **paper qualifications** are good. They might have **qualifications in** interesting subjects, but they have no **work experience**. They just don't know how business works.
- NO: I disagree. Education should teach people how to think, not **train** them **for** a particular job. One of last year's recruits **graduated from** Oxford University **with a degree in** philosophy and she's doing very well!
- KG: Philosophy's an interesting subject, but for our company, it's more useful to do **training in** a practical subject: it's better for us if you **train as** a scientist, and **qualify as** a biologist or a doctor, for example.
- NO: Yes, but we don't just need scientists. We also need good managers, which we can achieve through **in-house training** – courses within the company. You know we put a lot of money into **management development**, where managers regularly **go on** specialized **courses** in leadership (see Unit 10), finance (see Unit 38), etc. You need to **acquire experience** – get knowledge through doing things – for that. It's not the sort of thing you can learn when you're 20!

Note

In AmE, you can also say that someone **graduates from** high school – the school that people usually leave when they are 18.

Note

A **master's degree** is a qualification you can get after one or two years of **graduate study**. A **Master's of Business Administration (MBA)** is a master's degree in advanced business studies.

B

Skilled and unskilled

A **skill** is a particular ability to do something well, especially because you have learned and practised it.

Jobs, and the people who do them, can be described as:

- **highly skilled**, e.g. car designer
- **skilled**, e.g. car production manager
- **semi-skilled**, e.g. taxi driver
- **unskilled**, e.g. car cleaner

You can say that someone is:

skilled at or skilled in	+ <i>noun</i>	+ -ing
	customer care electronics	communicating using Excel

You can also say that someone is:

good with	computers
	figures people

C

The right person

These words are often used in job advertisements. Companies look for people who are:

- a **methodical, systematic** and **organized** – working in a planned, orderly way
- b **computer-literate** – good with computers
- c **numerate** – good with numbers
- d **motivated** – very keen to do well in their job because they find it interesting
- e **talented** – very good at what they do
- f **self-starters**; they must be **proactive, self-motivated, or self-driven** – good at working on their own
- g **team players** – people who work well with other people

Note

Self-starter and **team player** are nouns. The other words in bold are adjectives.

Exercises

4.1 Look at A opposite. Complete each sentence with the correct word.

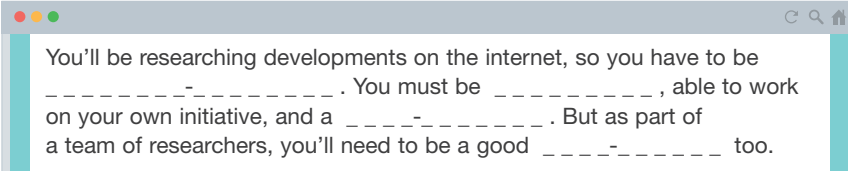
- 1 Ravi graduated Mumbai University a degree philosophy and politics.
- 2 He taught for a while, but didn't like it. He wanted to get a qualification accountancy and decided to train an accountant at evening classes.
- 3 He qualified an accountant and joined a big accountancy firm in its Mumbai office.
- 4 After he had acquired some experience, he went a number of management courses to get training team-building and other skills.

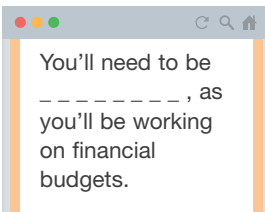


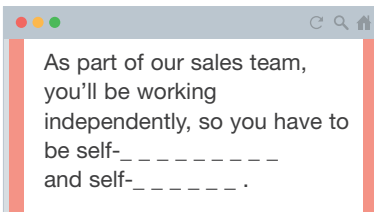
4.2 Look at B opposite. Are these jobs generally considered to be highly skilled, skilled, semi-skilled or unskilled? Use each expression twice.

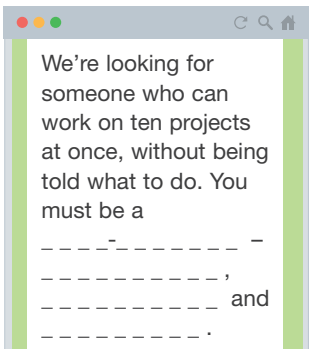
- 1 teacher
- 2 software engineer
- 3 car worker on a production line
- 4 cleaner
- 5 office cleaner
- 6 airline pilot
- 7 bus driver
- 8 office manager

4.3 Complete these extracts from job advertisements using words from C opposite.

1 
 You'll be researching developments on the internet, so you have to be ______. You must be _____, able to work on your own initiative, and a ______. But as part of a team of researchers, you'll need to be a good _____ too.

2 
 You'll need to be _____, as you'll be working on financial budgets.

3 
 As part of our sales team, you'll be working independently, so you have to be self-_____ and self-_____.

4 
 We're looking for someone who can work on ten projects at once, without being told what to do. You must be a _____, _____, _____ and _____.

5 
 We need _____ journalists who are very good at their job and extremely _____ – very keen to find out as much as they can about news stories.

Over to you

Write an extract from a job advertisement for your job or one you would like to have, using words from C opposite.

5

Pay and benefits

A

Wages, salary and benefits

'My name's Luigi and I'm a hotel manager in Venice. I get paid a **salary** every month. In summer, we're very busy, so we do **overtime** – work a lot of extra hours. The pay for this is quite good. Working in a hotel, we also get some nice **perks** – for example, free meals!'



'I'm Ivan and I work as a waiter in Prague. I like my job even if I don't **earn** very much: I get paid **wages** every week by the restaurant. We get the **minimum wage** – the lowest amount allowed by law. But we also get **tips** – money that customers leave in addition to the bill. Some tourists are very generous!'

'Hi, I'm Catherine, and I'm a saleswoman in luxury goods, based in Paris. I get a **basic salary**, plus **commission** – a percentage on everything I sell. If I sell more than a particular amount in a year, I also get a **bonus**, which is nice. There are some good **fringe benefits** with this job: I get a **company car**, a BMW; there's a **health plan** to pay the costs of medical treatment if I get ill; and the company makes payments for my **pension** – money that I'll get regularly after I stop working. So, with the bonuses, the car, the health plan and the pension, I've got a very nice **benefits package**. And the **working conditions** are good too: I have a nice office and I don't have to travel too much.'

B

Compensation 1

Catherine mentioned her **pay and conditions**. **Remuneration** and **compensation** are formal words used to talk about pay and conditions, especially those of senior managers. **Remuneration package** and **compensation package** are used especially in the US to talk about all the pay and benefits that employees receive. For a senior executive, this may include **share options** (BrE) or **stock options** (AmE), the right to buy the company's shares (see Unit 36) at low prices. There may be **performance (-related) bonuses** if the manager reaches particular objectives for the company.

C

Compensation 2

Compensation is also used to talk about money and other benefits that someone receives if they are forced to leave the organization, perhaps after a disagreement with other managers in what newspapers call a **boardroom row**. This money is in the form of a **compensation payment** or **severance payment**. If someone also receives benefits with this, the payment and the benefits form a **compensation package** or **severance package**.

In Britain, executives with very high pay and benefits may be referred to as **fat cats**, implying that they do not deserve this level of remuneration.

Exercises

5.1 Xavier and Yvonne are talking about Xavier's new job as a photocopier salesman. Sometimes, they don't use the exact names for things that they are talking about. Complete these expressions, using items from A opposite.

- 1 X: I get paid every month, rather than every week.
Y: I see. You get a, not wages.
- 2 X: I usually have to work late: I don't get paid for it, but I do get a percentage for every photocopier I sell.
Y: So you don't get, but you do get, That's good.
- 3 X: And the people in production get a if they reach their targets.
Y: Oh right. They get an extra payment if they produce more than a certain amount.
- 4 X: And the extras are great: the company pays for medical treatment if we get ill and the company restaurant is fantastic.
Y: Wow! The company sound very nice.
- 5 X: And they've given me a to go and visit clients.
Y: So you don't have to buy a car then.
- 6 X: What's more, there's a very good scheme where the company pays in money for us to get when we don't work any more.
Y: Yes, it's important to get a good
- 7 X: The total is brilliant.
Y: Yes, all those extras are really worth having.

5.2 Which expressions from B and C opposite could be used to complete each of these newspaper extracts?

1 **KEVIN DAVIS QUILTS AS MF GLOBAL CHIEF**

.....

3 **Underachieved? Have a**
.....
.....
.....!

When things get tough, senior executives should get a pay rise, right? Top executives at Kingfisher, which owns B&Q, and at Vodafone seem to think that directors should be entitled to large amounts of extra pay even when their companies are doing badly.

2 **PUBLIC ANGER AT BANKING EXECUTIVES' PAY**
Anger at the
.....s (2 possibilities) of bank executives is high. Henry Waxman, the California Democrat, this week sent letters to nine of the biggest investment banks asking why they have set aside \$108 billion for salaries and bonuses in a year when they have received \$125 billion in government aid.

4 **NEW THINKING**
Following the UK government's rescue of the banks, voters will say, 'If you could find the money to clear up the mess left by a few greedy, then you can find the money to fund this bus service / save this village school / renationalize the railways.'

Over to you

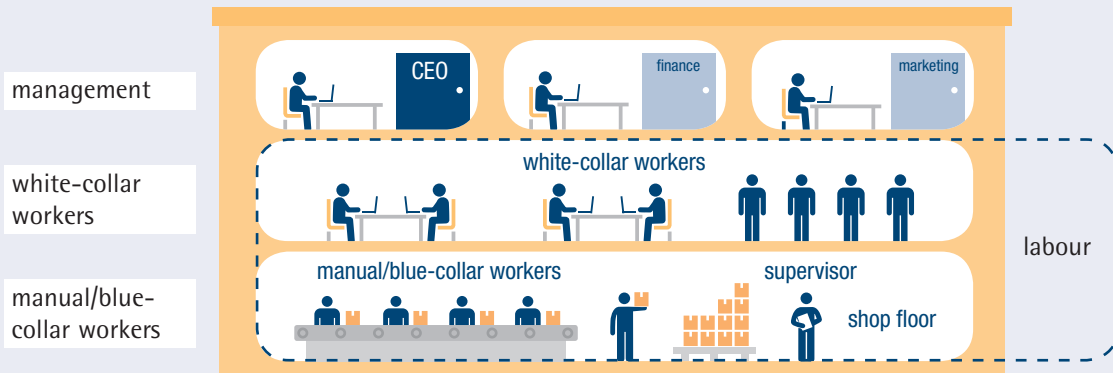
In what order of attractiveness would you put these benefits in relation to your job or one that you would like to have? Give your reasons.

- | | | | |
|------------|---------------|-------------|---------------------------|
| salary | share options | company car | performance-related bonus |
| commission | pension | health plan | |

6

People and workplaces

A Employees and management



The people who work for a company are on its **payroll**. They are its **employees, personnel, staff, workers** or **workforce**. These words can also refer just to the people carrying out the work of a company, rather than the **management** – those leading and organizing the company.

Note Workforce, work-force and work force are all possible.

B Management and administration

A company's activities may be spread over different **sites** in different places. A company's most important managers usually work in its **head office** or **headquarters (HQ)**. Some managers have their own individual **offices**, but often employees work in **open-plan offices** – large areas where many people work. **Administration** or, informally, **admin** – the ordinary work supporting a company's activities – is often done in offices like these by **administrative staff** or **support staff**. For example, those giving technical help to buyers of the company's products are in **technical support**.

C Labour

You use **labour** to talk about everyone except the management who works for a company, especially a company that makes things.

Note BrE: **labour**
AmE: **labor**

labour	costs	what companies have to pay for labour, rather than materials, etc.
	dispute	a disagreement between management and labour
	leader	someone in charge of an organization that represents workers
	relations	the relationship between management and employees in general
	shortage	a period when there are not enough people available to work
	unrest	a period of disagreement between management and employees

Labor unions (AmE) and **trade unions** (BrE) defend the interests of workers.

When workers are not happy with pay or conditions, they may take **industrial action**:

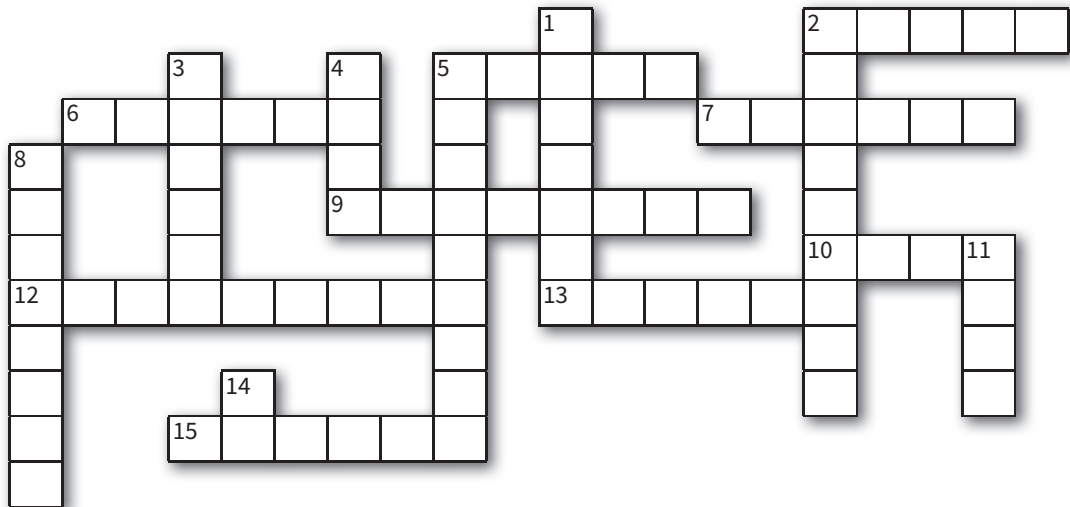
- a **strike, stoppage** or **walk-out** – workers stop working for a time
- a **go-slow** – workers continue to work, but more slowly than usual
- an **overtime ban** – workers refuse to work more than the normal number of hours

D Personnel and HRM

In larger organizations there is a **human resources department (HRD)** that deals with pay, recruitment, etc. This area is called **human resources (HR)** or **human resource management (HRM)**. Another, older, name for this department is the **personnel department**.

Exercises

6.1 Complete the crossword with the correct form of words from A, B, C and D opposite.



Across

- 2 and 15 Office workers may be described this way. (5, 6)
- 5 all of the people working for a company (5)
- 6 workers who use their hands are of this type (6)
- 7 when people stop working to protest (6)
- 9 one of the people working for an organization (8)
- 10 occasions when workers stop working in order to protest: walk-..... (4)
- 12 another name for the human resources department (9)
- 13 workers seen as a group (6)

Down

- 1 Everyone working for a company is on this. (7)
- 2 everyone, or everyone except top managers (9)
- 3 These are *trade* in the UK and *labor* in the US. (6)
- 4 and 15 across Manual workers are this, even if they don't wear this. (4, 6)
- 5 A place in a factory where the production lines are. (9)
- 8 when people stop work to complain about something (8)
- 14 and 11 Workers do this when they intentionally produce less. (2, 4)

6.2 Manuel Ortiz is the founder of a Spanish computer sales company. Use the words in B and D opposite to complete what he says about it.

'I founded Computadoras Creativas 20 years ago. We started with a small **(1)** _____ in Madrid. Our **(2)** _____, our **(3)** _____ is still here, but now we have sites all over Spain, with about 500 employees. Many of the offices are **(4)** _____ - everyone works together. This includes managers to **(5)** _____ - secretaries and people who support the company's activities, and people in technical **(6)** _____ giving help to customers over the phone.

Recruitment is taken care of in Madrid, by the **(7)** _____ or **(8)** _____?

Over to you

Answer these questions about the company you work for or would like to work for. Look at the company website to help you.

- Where is its head office? How many sites does the company have? How many employees?
- Do people have their own offices or are there open-plan offices? Which do you or would you prefer to work in?

A

Career paths

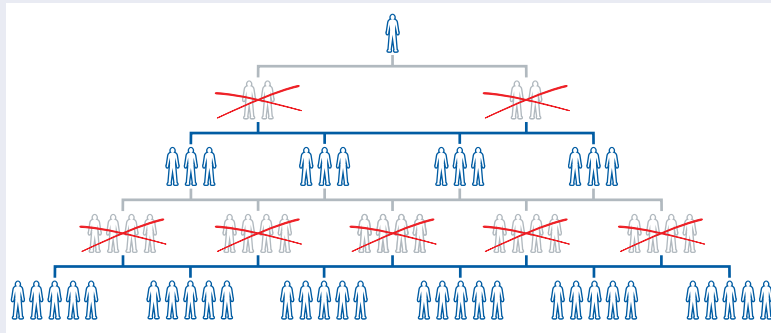
Many people used to work for the same organization until they reached **retirement**, the age at which people **retire** – end their working life. **Career paths** were clear: you could **work your way up the career ladder**, getting **promotion** to jobs that were more **senior** – more important with greater responsibility. You would probably not be **demoted** – moved to a less senior job.

B

Company structure

Like many other companies, Tel Italia has reorganized and **restructured** in order to become **flatter** – with fewer layers of management – and **leaner** – with fewer, more productive employees. The number of management levels in the **company hierarchy** has been reduced, and many managers have lost their jobs.

In other words, to reduce costs and cut the payroll (see Unit 6), Tel Italia has **downsized** and **delayed**. The company said that **downsizing** and **restructuring** were necessary to reduce costs, increasing **efficiency** and **profits**.



Delaying

C

In-house staff or freelancers?

Companies that downsize often **outsource** many jobs previously done by **in-house** personnel: outside companies clean the offices, transport goods, and collect money from customers. This allows the companies to concentrate on their main business activities. **Downsized** companies use more **freelancers** – independent people who work for several different companies – or they may ask **contractors** to work for short periods on **temporary contracts**. They often expect **flexibility**, with people moving to different jobs when necessary: but for many employees, this means **job insecurity** – the feeling that they may not be in their job for long.

The way that an employee is doing their job is discussed at **performance reviews** – regular meetings with their manager.

Note

You can say **freelancers** or **freelances**.



D

Leaving a company

To leave a company, you can **resign** or **hand in your notice**.

If you do something wrong and are forced to leave a company, you are: **dismissed**, **terminated**, **fired** or **sacked / given the sack**.

If you've done nothing wrong, you are: **laid off**, **made redundant** or **offered early retirement**.

Note

You can also say that someone's **contract has been terminated**. **Fired**, **sacked** and **given the sack** are informal expressions. **Sacked** and **given the sack** = BrE only.



Employees who are made redundant may get **outplacement** – advice about how to find another job, retraining, etc.

Exercises

7.1 Complete the tables with words from A, B and C opposite. The first one has been done as an example.

Noun	Verb
retirement	<i>retire</i>
demotion	
lay-off	
dismissal	
termination	

Noun	Adjective
seniority	
	freelance
redundancy	
	insecure
	flexible

7.2 Match the sentence beginnings (1–5) with the correct endings (a–e). The sentences all contain words from A and B opposite.

- | | | |
|---|--------------------------|---|
| 1 Career paths aren't what they used to be. Companies won't | <input type="checkbox"/> | a and that they will be replaced by temporary workers, or made redundant by technology. |
| 2 He worked his way up from | <input type="checkbox"/> | b take care of us for life any more. We have to take care of ourselves. |
| 3 The new management have restructured and delayered the company, | <input type="checkbox"/> | c but now we outsource it. |
| 4 We used to do printing in-house, | <input type="checkbox"/> | d factory worker to factory manager. |
| 5 Employees are afraid their organizations will be downsized | <input type="checkbox"/> | e reducing the number of management levels in the company hierarchy from five to three. |

7.3 Carla used to work for an Italian magazine publishing company. She talks about how she lost her job. Choose the correct form of the word in each case.

Edizione Fenice is a big magazine publishing company. I was director of a monthly magazine called *Casa e Giardino*.

Then Fenice was bought by an international publishing group. We had to have regular performance (1) (review / reviews / reviewer) with one of the new managers. After a few months they started laying staff (2) (off / on / out). Our own journalists were put on temporary (3) (contracts / contractual / contracting) or replaced by (4) (freelancer / freelancers / freelanced).

Then they started (5) (laid / lying / laying) off more senior people like me. The new owners said they wanted to make the company

(6) (flat / flatter / flatten) and (7) (lean / leant / leaner). So I was made (8) (redundant / redundancies / redundancy). They offered to help me to find another job with (9) (outplacement / outplaced / outplacing) services, but I refused.



Over to you

If you work, answer these questions.

- Do you think you will work for the same company until you retire? Why? / Why not?
- What kind of structure does your company have?
- What kind of work does your company outsource?

If you study, answer these questions.

- Do you think you will look for a job in a company where you can work your way up the career ladder until you retire, or do you think you will work for a lot of different companies?
- Do you know any companies which have restructured or downsized?

A

Discrimination

If people are treated differently from each other in an unfair way, they are **discriminated against**.

If a woman is unfairly treated just because she is a woman, she is a victim of **sex discrimination**. In many organizations, women complain about the **glass ceiling** that prevents them from getting further than a particular level.

If someone is treated unfairly because of their race, they are a victim of **racial discrimination** or **racism**. Offensive remarks about someone's race are **racist** and the person making them is **a racist**.

Equal opportunities, positive discrimination or **affirmative action** is when help is given in education and employment to groups who were previously discriminated against.

Some companies have a **dignity at work policy** covering all the issues described in A and B.

Note

BrE: **equal opportunities**

BrE/AmE: **positive discrimination**

AmE: **affirmative action**

B

Bullying and harassment

If someone such as a manager **bullies** an employee, they use their position of power to hurt or threaten the employee. Someone who does this is **a bully**. The **bullying** can often be verbal.

Sexual harassment is when an employee behaves sexually towards another in a way that they find unwelcome and unacceptable. The related verb is **harass**.

C

Health and safety

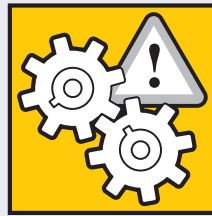
Health and safety issues for people at work contribute to a **bad working environment**. The government sends officials called **health and safety inspectors** to make sure that factories and offices are safe places to work. They check what companies are doing in areas like:



a **passive smoking**



b **repetitive strain injury or RSI**



c **dangerous machinery**



d **hazardous substances**



e **fire hazards**



f **heating and air-conditioning**



g **first aid**

Of course, dangerous machinery and hazardous substances can cause **industrial accidents**.


Note


Compensation (see Unit 5) can also be used to mean money or other benefits that someone receives after an injury caused by a work accident.


Exercises


8.1 Complete these headlines and articles with expressions from A and B opposite. Use one expression twice.

1  OFFICE MANAGER ACCUSED OF
A court heard today how an office worker was almost driven to suicide by a bullying office manager. James Blenkinsop, 27, told how boss Nigel Kemp victimized him by shouting at him, criticizing his work in front of others, tearing up his work and telling him to do it again.

2  NATIONAL RESTAURANT CHAIN FACES CLAIMS
Four waitresses claim they were repeatedly by male bosses in a branch of a well-known national restaurant chain. All four waitresses said they were subjected to sexist remarks at the restaurant.

3  JAPANESE WOMEN BREAK THROUGH
Naomi Tanaka, 23, last year started working on the Tokyo Stock Exchange as a trader. She complained about traditional and said she did not want to be a 'counter lady' answering phones and serving tea at a Japanese bank. Instead she got a job as a trader at Paribas, a French firm.

4  SHOP MANAGERESS IN CASE
A clothing shop's half-Burmese manageress, 24-year-old Marion Brown, claims her boss continually made remarks, and sacked her from her £110-a-week job when she objected. She claims that the company that owns the shop has racially against her.

5  ABOLISHED AT TEXAS LAW SCHOOL
Last year federal law court made affirmative action at the University of Texas law school illegal, and supporters of have said that it was a 'disaster'. The University of Texas law school last year admitted a class that was 5.9 per cent black and 6.3 per cent Hispanic. This year the black percentage stands at just over 0.7 and the Hispanic at 2.3.

8.2 Match the employees' complaints (1–7) with health and safety issues (a–g) in C opposite.

- 1 I do a lot of data entry, and recently I've started getting really bad pains in my wrists.
- 2 My doctor says there's something wrong with my lungs, but I've never smoked.
- 3 It's either too cold and we freeze, or too hot and we all fall asleep.
- 4 There's all this waste paper, but there no fire extinguishers in the building.
- 5 The containers are leaking – one day someone is going to get acid burns.
- 6 There are no safety guards on the machines – you could easily get your hand caught.
- 7 There are all these problems, but no-one is trained to give medical assistance.

Over to you

Think about the industry you work in or would like to work in. Look at a health and safety website, for example the UK government site at www.hse.gov.uk, and identify key hazards in the industry.

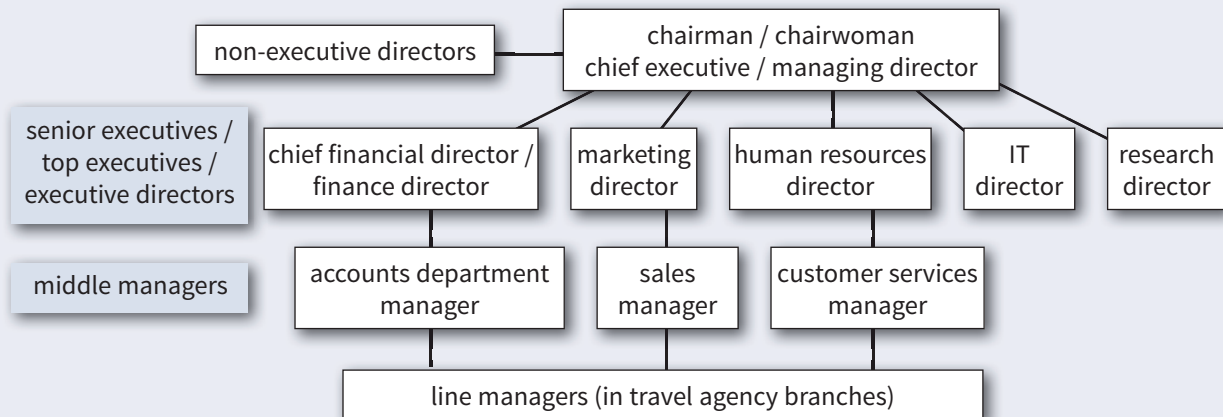
9

Managers, executives and directors

A Managers and executives: UK



Management
organigram



All the directors together are the **board**. They meet in the **boardroom**.

Non-executive directors are not managers of the company; they are outsiders, often directors of other companies with specialist knowledge of the industry or of particular areas.

The marketing director is the **head of marketing**, the IT director is **head of IT**, etc. These people **head** or **head up** their departments. Informally, the head of an activity, a department or an organization is its **boss**.

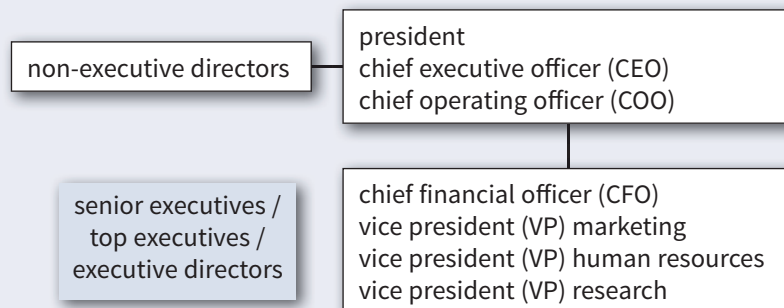
An **executive**, or informally, an **exec**, is usually a high-level manager, as in **senior executive**.

Note

Executive can be used in other contexts to suggest luxury – as in **executive car** and **executive home**. It can even be used for things that are not actually used by executives.



B Managers and executives: US



In the US, the top position may be that of **chairman**, **chairwoman** or **president**. This job is often combined with the position of **chief executive officer (CEO)**. Some companies have a **chief operating officer** to take care of the day-to-day running of the company. The finance director may be called the **chief financial officer (CFO)**.

In a US company, the senior managers in charge of particular areas are often called **vice presidents (VPs)**.

Exercises

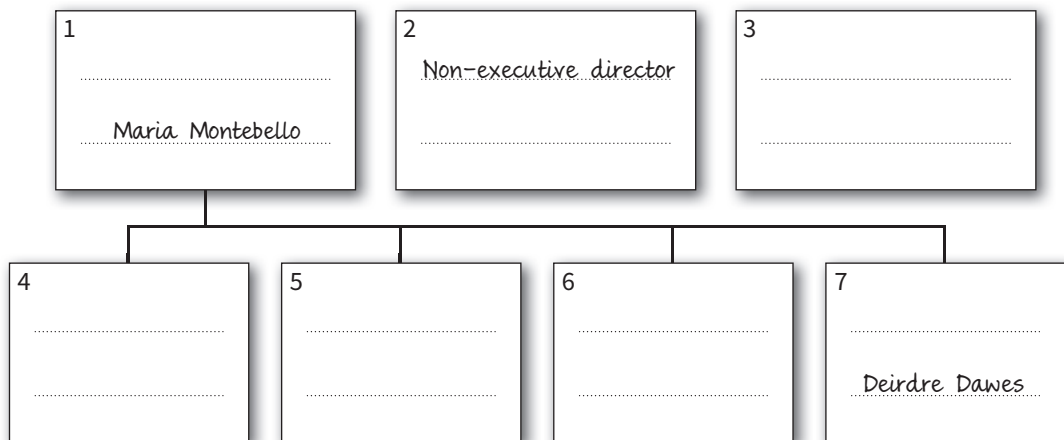
- 9.1** Look at the executives and managers listed in A opposite. Match each task (1–6) with the particular person most likely to be responsible for doing it.
- 1 Meet with advertising agency to discuss new advertisements for the company's holidays.
 - 2 Study possible new holiday destinations in detail.
 - 3 Analyse last year's profits in relation to the previous year's.
 - 4 Contact newspaper to advertise new jobs.
 - 5 Deal with complaints from customers.
 - 6 Discuss sales figures with sales team.

- 9.2** Who's who on this company board? Look at B opposite and complete the diagram.

My name's Maria Montebello, and I'm president and CEO. We have some excellent people on our board, including two who are not involved in day-to-day running of the company: George Gomi and Julia Jones.

My name's Stan Smith and it's my job to look after the accounts. I work closely with Clarissa Chang and Richard Roberts, as they tell me what their departments need for marketing and research, and I allocate them an annual budget.

My name's Deirdre Dawes and I head up personnel, on the same level in the company as Clarissa Chang and Richard Roberts.



Over to you

If you work, draw an organigram of your organization and practise describing it to a new colleague.

If you don't work, think of a job you would like in an organization and write about why you would be good at the job.

A

Businesspeople and entrepreneurs

A **businessman**, **businesswoman** or **businessperson** is someone who works in their own business or as a manager in an organization.

An **entrepreneur** is someone who starts or **founds** or **establishes** their own company. Someone who starts a company is its **founder**. An entrepreneur may found a series of companies or **start-ups**. **Entrepreneurial** is used in a positive way to describe the risk-taking people who do this, and their activities. Some entrepreneurs leave the companies they found, perhaps going on to found more companies. Others may stay to develop and **grow** their businesses.



Note

The plural of **businessperson** is **businesspeople**. **Businessperson** and **businesspeople** can be spelled as two words: **business person**, **business people**.

Found is a regular verb: past tense and past participle are **founded**.

Establishment is used to talk about the act of founding something as well as a particular organization, or part of one.

Some English speakers believe it is not correct to use **grow** as a transitive verb in this context.

Note

Entrepreneur is used in combinations such as **internet entrepreneur**.



B

Leaders and leadership

A large group of companies mainly owned by one person or family is a **business empire**. Successful businesspeople, especially heads of large organizations, are **business leaders**, or in slightly old-fashioned journalistic terms, **captains of industry**.

There is a lot of discussion about whether people like this are born with **leadership skills**, or whether these can be taught.

C

Magnates, moguls and tycoons

People in charge of big business empires may be referred to, especially by journalists, as **magnates**, **moguls** or **tycoons**. These words often occur in combinations such as these:

- **media magnate**
- **property mogul**
- **software tycoon**

Exercises

10.1 Use words from A and B opposite to complete the missing words.

The big place for people starting their own companies – for (1) _____ – is, of course, the internet. Take Sergey Brin and Larry Page. They met while doing their doctorates at Stanford, where they were encouraged to develop their mathematical research on the world wide web. Brin and

Page are both very (2) _____. They (3) _____ Google together in 1998: some of the investment in the (4) _____ came from Andy Bechtolsheim, one of the founders of Sun Microsystems.

Now Brin and Page are both very rich, with their own Boeing 767. In

2006, Brin and Page appointed Eric Schmidt to develop and (5) _____ the business. Like many entrepreneurs, they felt that they did not have the (6) _____ skills to head up and inspire a large business (7) _____.

10.2 Who are these famous businesspeople? Use the expressions below to describe them.

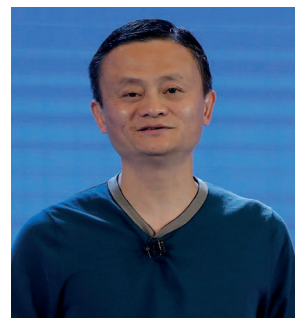
electric car entrepreneur	e-commerce mogul	social media website founder
property tycoon	retail entrepreneur	banking entrepreneur



Güler Sabancı (b. 1955)



Cath Kidston (b. 1958)



Jack Ma (b. 1964)



Elon Musk (b. 1971)



Zhang Xin (b. 1965)



Mark Zuckerberg (b. 1984)

Over to you

- Who is your country's most famous entrepreneur? What is this person famous for?
- In your opinion, are entrepreneurs born or made?

A

Business and businesses

Business is the activity of producing, buying and selling goods and services. A **business**, **company** or **firm**, or more formally a **concern**, is an organization that sells goods or services. Large companies considered together are referred to as **big business**.

You can talk about a company or a particular activity as an **enterprise**, especially to emphasize its risk-taking nature.

Businesses vary in size, from the **self-employed** person working on their own, through the **small or medium enterprise (SME)** to the large **multinational** with activities in several countries.

A large company, especially in the US, is a **corporation**. The adjective is **corporate**, used to talk about a big company – or big companies in general. **Corporate** is often used in these combinations:

corporate	}	culture	the way a company's employees think and act
		ladder	the different levels of management in a company
		headquarters	a company's main office
		logo	a symbol used by a company on its products, advertising, etc.
		image	all the ideas, opinions, etc. that people have about a company
		profits	the money made by companies

B

Commerce

Commerce is used:

- to refer to business in relation to other fields: 'literature, politics and commerce'.
- for government departments that deal with business: US **Department of Commerce**.
- in the names of organizations that exist to help business: **chambers of commerce**.
- to refer to business on the internet: **electronic commerce** or **e-commerce**.

The adjective **commercial** describes money-making business activities: for example, **commercial airline**, **commercial artist**, **commercial disaster**.

C

Enterprise

In 1970s Britain, there were **state-owned** or **government-owned companies** in many different industries, such as car manufacturing. Some industries, such as coal and electricity, had been **nationalized** – they were entirely state-owned. In the 1980s, the Thatcher government believed that **nationalized companies** were inefficient, so many of them were **privatized** by selling them to investors. Supporters of **privatization** believed that **bureaucracy** – the system for running government departments, with its rigid rules and slow decisions – was not good for business: state-run companies were too **bureaucratic**.

Enterprise is used in a positive way to talk about business, emphasizing the use of money to invest in new activities with a certain amount of risk involved. **Enterprise** is often used in these combinations:

free private	}	enterprise	business activity owned by individuals rather than the state
---------------------	---	-------------------	--

enterprise	}	culture	when people are encouraged to make money through their own activities and not rely on the government
		economy	an economy where there is an enterprise culture
		zone	part of a country where business is encouraged because there are less strict laws, lower taxes, etc.

Exercises

11.1 Match the two parts of these sentences containing expressions from A opposite.

- | | | |
|---|--------------------------|---|
| 1 Managers who themselves often worked long hours in order to climb the corporate | <input type="checkbox"/> | a image by showing environmental leadership. |
| 2 Analysts forecast a slowing of economic growth because of lower corporate | <input type="checkbox"/> | b logo in view was the Haagen Dazs name on three table umbrellas. |
| 3 3M continues to improve its corporate | <input type="checkbox"/> | c profits, capital gains taxes and slow job growth. |
| 4 Retailer Best Buy is allowing employees at its corporate | <input type="checkbox"/> | d ladder may demand the same thing from their employees. |
| 5 The only corporate | <input type="checkbox"/> | e culture at Lowe's, and managers use a variety of methods to ensure that it's happening. |
| 6 Listening to customers is part of the corporate | <input type="checkbox"/> | f headquarters to set their own hours and work outside the office. |

11.2 Someone is talking about words and expressions in B and C opposite. Which are they referring to each time?

- They're not companies in which people can buy shares. (3 expressions)
- It carries passengers and goods in order to make a profit.
- It's so slow and inefficient: no way to run a business!
- It's going to be used for offices and factories, not houses.
- It's owned and run by private companies, and the programmes are interrupted by advertising.
- We need to encourage this in order for the economy to grow and modernize.
- He does advertisements: you can't find his work in art galleries.
- It was an artistic success, but unfortunately it lost a lot of money.

11.3 Use expressions with 'enterprise' from C opposite to complete this text.

Margaret Thatcher often talked about the benefits of **(1)** or **(2)** She said that her achievement was to establish an **(3)** in Britain, an economy based on free enterprise. She wanted a society where people were encouraged to start their own companies and where it was acceptable to get rich through business: an **(4)**

In some areas, the government reduced the number of laws and regulations to encourage businesses to move there. Businesses were encouraged to set up in the Docklands of London, for example. The Docklands were an **(5)**

Over to you

Write short reports about the issues below. Research them on the internet if necessary.

- How big is the public sector in your country? Do people who work in it have good working conditions compared to those in the private sector?
- In your country, which of these industries are in the public sector, and which are in the private sector? Which have been privatized?

bus transport

electricity supply

postal services

rail transport

telephone services

water supply

A

Self-employed people and partnerships

Oscar is a **freelance** graphic designer – a **freelancer**. He likes the freedom of working for himself. To use the official term, he's a **sole trader**.

People such as designers and journalists are freelancers (see Unit 7), whereas builders and plumbers are normally referred to as being **self-employed**.

Jane and Miranda are architects who have set up their own architecture **partnership**. A lot of professional people like lawyers, accountants, and so on work in partnerships. They are **partners** – there are no shareholders (see Unit 32) in the organization apart from the two of them.

Note

Sole owner and **sole proprietor** are both used in BrE and AmE. **Sole trader** is not used in the US.

B

Limited liability

Jane and her partners have **limited liability**: if the partnership **goes bankrupt** – runs out of money – the people to whom the partnership owes money can take the company's **assets** to pay the debts, but they can't take personal assets such as the partners' houses or cars. It's a **limited liability partnership (LLP)**.

Jon Robertson is managing director and main shareholder of a small electronics company in Scotland called Advanced Components **Ltd**. 'Ltd' means **limited company**, with limited liability.

Howard Schultz is president of Starbucks **Inc**. 'Inc' stands for **Incorporated**. This shows that it is a **corporation** – used especially in the US for companies with limited liability, and also used in the UK in the names of some big companies.

Some British companies include **PLC** as part of their name. This means that the company is a **public limited company**, and its shares are bought and sold on the stock exchange (see Unit 36).



Howard Schultz

C

Mutuals

Some companies like certain **life insurance companies** are **mutuals**. People buying insurance with the company are its **members** and there are no shareholders. Profits are theoretically owned by the members.

In Britain, there are mutuals called **building societies**, which lend money to people who want to buy a house. But a lot of building societies are changing into public limited companies with shareholders: many have **demutualized** in a process of **demutualization** (see Unit 35).

D

Non-profit organizations

Organizations with 'social' aims such as helping those who are sick or poor, or encouraging artistic activity, are **non-profit organizations** (BrE) or **not-for-profit organizations** (AmE). They are also called **charities** and form the **voluntary sector**: they rely heavily on **volunteers** – unpaid workers. For example, a charity like Médecins sans Frontières is managed by paid professionals, and together they put a lot of effort into **fundraising** activities. These activities encourage people to give or **donate** money, clothes, food or time to help the organization. These **donations** are essential for the organization to do its work.

Exercises

12.1 Look at the words in A and B opposite. Which type of organization is each of these?

- 1 A group of engineers who work together to provide consultancy and design services. There are no outside shareholders.
- 2 A large British engineering company with 30,000 employees. Its shares are bought and sold on the stock market.
- 3 An American engineering company with outside shareholders.
- 4 An engineer who works by herself by providing consultancy. She works from home and visits clients in their offices. (3 possibilities)
- 5 An independent British engineering company with 20 employees. It was founded by three engineers, who are shareholders and directors of the company. There are five other shareholders who do not work for the company.

12.2 Complete this newspaper article with expressions from C opposite.

NEWSONLINE

Home News World Business Food Technology Science

Angry scenes as members reject (1)

There were angry scenes at the Suffolk (2) 's annual meeting as the society's (3) rejected by two to one a recommendation from its board that the society be (4) Members had travelled from all over the country to attend the meeting in London. The Suffolk's chief executive, Mr Andrew Davies, said, 'This is a sad day for the Suffolk. We need to (5) to bring the society forward into the 21st century. Our own resources are not enough and we need capital from outside shareholders.'

Gwen Armstrong, who has saved with the Suffolk for 32 years, said, 'Keeping (6) status is a great victory. Profits should stay with us and not go to outside shareholders.'

Comment Like

12.3 Match the sentence beginnings (1–5) with the correct endings (a–e). The sentences all contain expressions from D opposite.

- | | | |
|---|--------------------------|---|
| 1 British people donate around £4 a week each on average to charities | <input type="checkbox"/> | a with loss-making companies! |
| 2 She organized fundraising | <input type="checkbox"/> | b and many volunteer to give their skills too. |
| 3 Voluntary sector employees earn five to ten per cent | <input type="checkbox"/> | c parties for the charity. |
| 4 Non-profit organizations are not to be confused | <input type="checkbox"/> | d when they are helping people in their own social class. |
| 5 Research shows that volunteers give the best service | <input type="checkbox"/> | e less than they would in the private sector. |

Over to you

Which non-profit organizations are well-known in your country? What do they do? How do they raise money?

A

Manufacturing and services

Here are some of the **manufacturing industries** that make up the **manufacturing sector**.

aerospace	planes and space vehicles
cars (BrE) automobiles (AmE)	cars
computer hardware	computers, printers, etc.
construction	buildings
defence (BrE) defense (AmE)	weapons
electronics	mobile phones, etc.
food processing	canned, frozen, etc. foods
household goods	washing machines, refrigerators, etc.
pharmaceuticals	medicines
steel	a strong metal used in the manufacturing of machinery and cars
textiles	cloth and clothes

Here are some of the **services** or **service industries** that make up the **service sector**.

call centres (BrE) call centers (AmE)	dealing with orders, complaints, etc. from customers by phone
catering	restaurants, bars, etc.
computer software	instructions for computers
financial services	banking, insurance, etc.
healthcare	medical care
leisure	cinemas, sport, etc.
media	books, newspapers, film, television
property (BrE) real estate (AmE)	buying, selling and managing buildings
retail	shops
telecommunications	phone, internet services
tourism	travel and holidays

Note



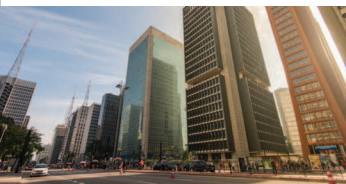
You use all these names in front of **industry** to talk about particular industries. You usually drop the **s** from **cars**, **automobiles**, **pharmaceuticals** and **textiles**: **the automobile industry**, etc.



B

Countries and their industries

Industry (uncountable) is the production of materials and goods. An industry is a particular type of business activity. The related adjective is **industrial**. Here is how industry has developed in Brazil.

1950s and 60s	1970–2000	Today
		
In 1950, Brazil was a relatively poor country, with most people living and working on the land. The government decided to industrialize , and one of the new emerging industries in the 60s was the building of aircraft.	The Brazilian economy developed in many different areas: growth industries ranged from light industries such as textiles and telecommunications equipment to heavy industries like steel production.	Brazil's economy is diversified , with many different industries: the service sector makes up 70.8 per cent, industry 24 per cent and agriculture 5.2 per cent.

Exercises

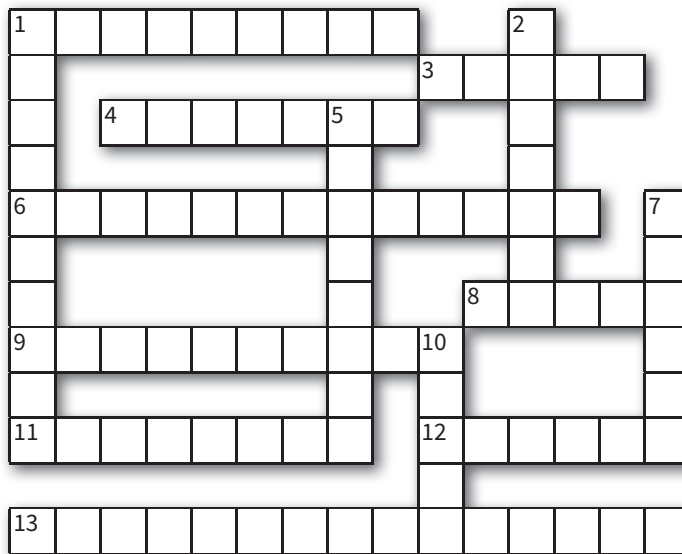
13.1 Look at A opposite. Which industry or service is each of these companies in?

1 Microsoft	3 Glaxo Smith Kline	5 Kia	7 Banco Santander
2 Terra	4 Boeing	6 Time Warner	8 Gap

13.2 A company will have to deal with problems that are specific to its industry. Match each problem (1–5) with one of the industries in A opposite.

- 1 buying a new building and being unable to find people to rent it
- 2 holidaymakers arriving to find that their hotel is not finished
- 3 lending to someone who cannot repay the loan
- 4 selling weapons to governments that people do not approve of
- 5 making drugs that poor countries cannot afford

13.3 Complete the crossword with the correct form of words from A and B opposite.



Across

- 1 plane and rocket industry (9)
- 3 metal industry (5)
- 4 an industry that doesn't sell goods (7)
- 6 making things (13)
- 8 television, music, the internet (5)
- 9 related to industry or industries (10)
- 11 describing a new industry (8)
- 12 describing an industry that is getting bigger (6)
- 13 making drugs (15)

Down

- 1 making cars: the industry (10)
- 2 making weapons (7)
- 5 serving food and drink, rather than making them (8)
- 7 keeping people well: care (6)
- 10 making televisions rather than steel: industry (5)

Over to you

- What products are manufactured in your country, and where?
- How diversified is your country's economy?

A

Market research

In designing products and services, **market research** – finding out what people really want – is very important.

There are five ways of carrying out market research:

- **Surveys** are of four types:
 - 1 **In-person surveys** can show an example or **sample** of a new product, but they are expensive.
 - 2 **Telephone surveys** are less expensive, but people do not like to be **called up** and asked questions.
 - 3 **Mail surveys** have **low response rates** because few people send the surveys back; they are inexpensive, however.
 - 4 **Online surveys** are simple and inexpensive, but usually unpredictable as there is no control over the **pool** or selection of people that **take part in** this kind of survey.
- **Focus groups** usually last 1–2 hours. A **moderator** uses specially prepared questions to ask a group. It takes at least three groups to get accurate results.
- **Personal interviews** usually last about an hour – they are normally recorded. As with focus groups, not doing enough interviews gives inaccurate results.
- **Observations** involve observing consumers in action by videoing them in stores, watching them at work, or observing how they use a product at home.
- **Field trials** involve placing a new product in selected stores to test customer response under real-life selling conditions.

See Unit 15 for more on development and Unit 21 for more on marketing.



In-person survey



Focus group

B

Development and launch

- When software **developers** (see Unit 15) have finished the **beta version** – first version – of a program, they **release** this on the internet and users are asked to **try it out** and to identify **bugs** or problems.
- Car **designers** use **CAD/CAM** (computer-assisted design / computer-assisted manufacturing) to help develop and test the first versions or **prototypes** of the new product.
- **Researchers** in **laboratories** may take years to develop new drugs, **testing** or **trials** them in **trials** to show not only that they are **effective**, but also that they are safe. Drugs need to be made in large numbers on an **industrial scale** before they can be sold.
- **Rollout** is the process of making a product available, perhaps in particular places to test reaction.
- **Product launch** is the moment of truth when a product is officially made available for sale.
- If a **design defect** or **design fault** is found in a product after it has been launched, the company may have to **recall** it, asking those who have bought the product to return it, perhaps so that the defect can be corrected.

Note

Design defect, design fault and **design flaw** all mean the same thing, but the first of these is the most frequent.



Testing and **trials** (BrE) / **trials** (AmE) are both used to talk about people trying new products and services. The noun **trial** is used especially to talk about testing the effectiveness of new drugs, for example in the expression **clinical trial**.

Exercises

14.1 Which expression in A opposite does the underlined word refer to in each item (1–6)?

- 1 It lasts up to two hours and has someone asking specific questions, but just one is not normally considered enough. *focus group*
- 2 These are useful because you can see how people actually use the product.
- 3 These can take different forms – some are more efficient than others at getting information about what people want.
- 4 He or she organizes the discussion in a focus group.
- 5 These cause problems for one type of survey, which mean that they might not be reliable.
- 6 With these, you can examine how people react when they see the product on the shelves.

14.2 Three people are talking about their work in product development. Correct the mistakes in the words in *italics*, using expressions from A and B opposite.

- 1 ‘**(a)** *Market researches* showed that there was a real need for this service on our webpage, but before offering it, we had to test it in a **(b)** *beta copy* with small groups of users over several months to eliminate all the bugs. Even so, after the **(c)** *product lunch*, some users said they could get into other people’s email accounts!’
- 2 ‘Our **(d)** *searchers* have shown that our new diet drink can make you slimmer and the **(e)** *focal groups* said they liked the taste, but first we had to prove to the authorities that it was **(f)** *secure*. Another problem was making the drink on an **(g)** *industrial level*: at first we could only make it in small quantities in the laboratory, but making it in bigger quantities was impossible.’
- 3 ‘At our research centre in Toulouse in France, the **(h)** *designators* develop the prototypes. People think that my job of flying new aircraft is dangerous, but there is so much **(i)** *proving* on computer first, that all the danger has been eliminated by the time I fly the plane.
(j) *CAM/CAD* means that all the process of design and manufacture is much quicker than before.’

14.3 Complete this talk by a marketing specialist using these words from A and B opposite.

consumer design groups launch market recall surveys

A few years ago a famous car company launched a completely new car. They’d done years of technical research and **(1)** research with focus **(2)** and **(3)** panels, and analysis of responses to questionnaires and **(4)** Then came the **(5)** Sales of the car were very good until a Swedish newspaper reported the results of its ‘elk test’. They found that the car had a tendency to tip over if you turned quickly to avoid an elk. This was due to a **(6)** fault in the car, so they had to **(7)** all the cars they’d sold in order to correct the fault.



Over to you

- What does a pharmaceutical company need to do before it can release a new drug?
- What kind of surveys have you taken part in?
- What will a company do if they find a problem in a product after the launch? And why might this be a big problem?

A

Innovation and invention

Verb	Noun: concept (uncountable)	Noun: thing (countable)	Noun: person
design – to make plans or drawings for how something is to be made	design	a design	a designer
develop – to make a new idea become successful, for example by making or improving a product	development	a development	a developer
innovate – to think of new ideas, methods, products, etc.	innovation	an innovation	an innovator
invent – to design and make something for the first time	invention	an invention	an inventor

B

Research and technology

Google carries out **research and development (R&D)** at its **research centre** in Mountain View, California. Its **laboratories** are some of the most **innovative** in the computer industry.

Note

BrE: **research centre**
AmE: **research center**

Google has made many new **breakthroughs** – innovations. Users can try out these products before they are **released** in their final version.

The company is a leader in the **technology** of internet search. They are at the **cutting edge** or **leading edge** of this technology – none of their competitors has better products than them. Everything they do is **state-of-the-art** – using the most advanced techniques available.

Of course, the **hi-tech** products of today become the **low-tech** products of tomorrow. Products that are no longer up-to-date because they use old technology are **obsolete**. Like all companies, Google never wants to get into that situation: they want to develop technology that is **future-proof**.

Note

Cutting edge is used about three times as much as **leading edge**. Both are often used as adjectives, e.g. **cutting-edge products**, **leading-edge technology**.



C

Patents and intellectual property

Information or knowledge that belongs to an individual or company is **proprietary**. A product developed using such information may be protected in law by **patents** so that others cannot copy its design.

Other companies may pay to use a design **under licence** in their own products. These payments may be referred to as **royalties**.

Note

	<i>Noun</i>	<i>Verb</i>
BrE:	a licence	to license
AmE:	a license	to license

In publishing, if a text, picture, etc. is **copyright**, it cannot be used by others without permission: this is **copyright infringement**. An example of this is **illegal downloading** of music, films and software from the internet: this is **piracy**.

Another form of piracy is when **fake** products, often luxury products such as Rolex or Chanel, are sold without the permission of the company that owns the **brand name** (see Unit 22) or **trademark** – a recognizable symbol used on the product.

The area of law relating to patents, copyright and trademarks is **intellectual property**.

Exercises

15.1 Complete this webpage using these expressions from A and B opposite.

cutting edge release	develop state-of-the-art	developed technologies	development technology	innovation
-------------------------	-----------------------------	---------------------------	---------------------------	------------

NEWS ONLINE

Home News World Business Food Technology Science

Imagine being able to work on products across all business groups of Microsoft. You can do it here at the Microsoft India Development Center in Hyderabad, a center for true (1) ! MSIDC is located in a 50-acre (2) campus. It is Microsoft's largest product (3) center outside the headquarters in Redmond, and is recognized as an industry leader with teams working at the (4) , developing (5) and products for millions of Microsoft customers worldwide. MSIDC has (6) many core products and technologies for the global market since its inception in 1998. Our teams have end-to-end responsibility for every product or (7) they (8) They own the strategy, gather customer requirements from across the world, plan different versions, and then design, test and (9) the product for the market.

Comment Like

15.2 Match the expressions (1–10) containing words in C opposite with their meanings (a–j).

- | | | |
|---------------------------|--------------------------|---|
| 1 copyright infringement | <input type="checkbox"/> | a a payment made to the owner of a design by someone else who uses it, or to an author by a publisher |
| 2 intellectual property | <input type="checkbox"/> | b an arrangement between the owner of a design and another organization, allowing its use in exchange for payment |
| 3 patent application | <input type="checkbox"/> | c a name or symbol used on a product |
| 4 proprietary information | <input type="checkbox"/> | d an occasion when an inventor asks the authorities to officially recognize an invention as their property |
| 5 royalty payment | <input type="checkbox"/> | e designs, ideas, etc. that belong to someone |
| 6 licensing agreement | <input type="checkbox"/> | f a name used on a product |
| 7 illegal download | <input type="checkbox"/> | g the whole activity of using designs, text, pictures or copying products without permission |
| 8 piracy | <input type="checkbox"/> | h an occasion when someone makes an illegal copy of music, etc. from an internet site |
| 9 trademark | <input type="checkbox"/> | i the law relating to designs, ideas, etc. that belong to someone |
| 10 brand name | <input type="checkbox"/> | j an occasion when someone uses another's text, pictures, etc. without permission |

Over to you

- Name a product that has become obsolete and suggest why that happened.
- How do companies try to prevent illegal downloading of music and films? Will they ever succeed completely?

A

Products

A **product** can be: something natural, e.g. wood, oil, paper; something made to be sold, e.g. cars, computers, clothes; a service, e.g. broadcasting, insurance.

Produce (uncountable) normally refers to agricultural products such as crops or fruit.

Noun: things	Noun: company or country	Verb	Noun: activity
(manufactured) products / goods (see Unit 17)	maker / manufacturer / producer	make / manufacture / produce	manufacture / manufacturing / production
(agricultural) produce / products	producer	produce	manufacture / manufacturing / production
services	provider	provide	provision

B

Mass production

Car production started in **workshops** where each car was individually **hand-made**. Producing cars like this was a **craft industry**. It was very **labour-intensive** – it took a lot of work to produce each car.

Then, in 1913, Henry Ford had the idea of an **assembly line** or **production line** at the Ford **manufacturing plant** in Detroit: a team of workers were responsible for each part of the manufacturing process, which meant that the plant could make cars in very large numbers – it could **churn** them **out**.



Today, the same system is used in manufacturing, but with the addition of **industrial robots**. The machines are expensive but very **cost-effective** – they produce a lot in relation to what they cost. These robots are part of the **CAD/CAM** system of **computer-assisted** (or **computer-aided**) **design and manufacturing** (see Unit 14).

Note

BrE: **labour-intensive**; AmE: **labor-intensive**

A **plant** can also be referred to as a **factory** or a **works**, but **works** is a slightly old-fashioned word.

C

Capacity and output

The number or type of things that a company, plant, industry or country produces is its **output**. **Productivity** is a measure of the number of things produced in relation to the number of employees. When there is high output per employee, productivity is high.

The maximum amount that a particular company, plant or industry can produce is its **capacity**. If it is actually producing this amount, it is **working at full capacity**.

Note

There is **overcapacity**, **excess capacity**, **spare capacity** or **surplus capacity** if there is too much capacity in relation to what is required. The expressions are given in their order of frequency. These expressions are also used in service industries.



If too many things are being produced by a particular industry in relation to the number of people who want to buy them, there is **overproduction**. If far too many things are produced, there is a **surplus** or **glut** of these things. If not enough goods are being produced, there is a **shortage**.

Exercises

16.1 Complete the sentences with grammatically correct forms of the words in the table in A opposite. (The number in brackets indicates the number of different possible answers.)

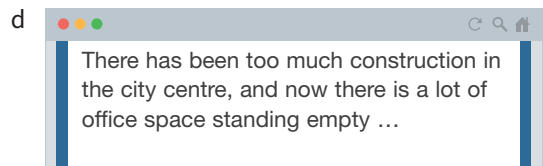
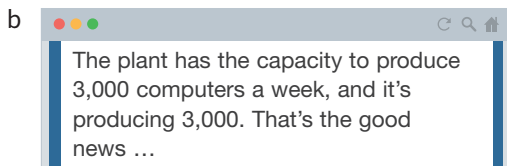
- 1 A lot of mobile phone (3 possibilities) takes place in China, but Nokia still (3 possibilities) them in Finland too, so Finland is a (3 possibilities) of mobile phones.
- 2 India is important for call centres, but it is also emerging as a of of all kinds, including accountancy.
- 3 Russia is a major oil and also important for the of gas.
- 4 The United Kingdom is a big of legal and financial services.
- 5 Brazil is still the world's biggest coffee, but coffee is also in many other countries, including new ones such as Vietnam.
- 6 With the increase in medical tourism, Thailand is emerging as an important centre for the of healthcare services to people from other countries.

16.2 Look at B opposite. Rearrange these sections of a short presentation about manufacturing into a logical order.

- a work. Of course, we still have a large number of assembly-
- b plant producing TVs in Singapore. We have two production
- c My name's George Chien, and I'm director of a manufacturing
- d lines working 24 hours a day. CAD/
- e intensive. But with the help of computer-
- f line workers, so it's quite labour-
- g CAM and robots do some of the assembly
- h assisted design and automation, productivity is increasing.



16.3 Match the headlines (1–4), containing words from C opposite, with extracts of the articles they relate to (a–d).



Over to you

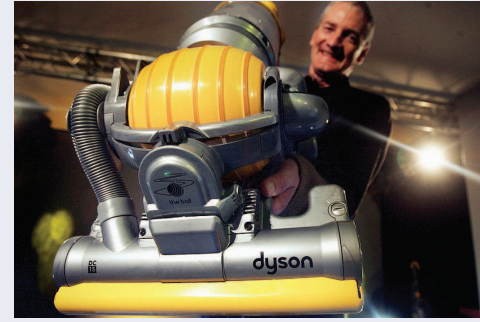
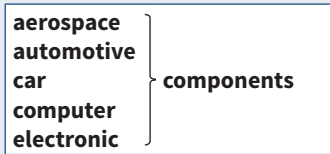
Are hand-made products better than mass-produced products?

A

Inputs

Dyson makes vacuum cleaners. It takes **raw materials** like steel and plastic, and makes some of the **components** – or **parts** – used in its products. (Other components are made by other companies.)

Here are some typical combinations:



Materials and parts are just some of the **inputs**. The others are **labour** – workers and managers – and **capital** – money. **Knowledge** is also important because Dyson is a leader in vacuum technology.

Vacuum cleaners that are in the course of being made are **work-in-progress**. At any one time, Dyson has **goods** (see Unit 16) worth millions of dollars in its factories and warehouses; these are both the materials and components used to make its products, and its **finished goods** – the products that have been made.

Quantities of raw materials, components, work-in-progress and finished goods in a particular place are **stocks**.

Note

BrE: **work-in-progress**; AmE: **work-in-process**

BrE: **stocks**; AmE: **inventories**

Goods is rarely used in the singular, except in specialized economics contexts.

B

Suppliers and outsourcing

Dyson has its own **manufacturing operation**, but it works with its **suppliers** – companies that provide materials and components. Some companies refer to their suppliers as **partners**.

The company uses **subcontracting** – which means using **outside suppliers** to provide components and services. In other words, it uses **outsourcing** rather than doing these activities **in-house** – within the company.

Note

Outside is the most frequently occurring adjective in front of **suppliers**.



C

Just-in-time

It costs money to keep components and goods available for customers to buy **in stock**. Stocks have to be **financed** – paid for. They also have to be **stored** – kept in special buildings called **warehouses** – and **handled** – moved from one place to another. So Dyson is asking its suppliers to provide components **just-in-time** – when they are needed.

This is part of **lean production** or **lean manufacturing**, in which products are made in the most **efficient** way – doing things as quickly and cheaply as possible, without waste.



A warehouse

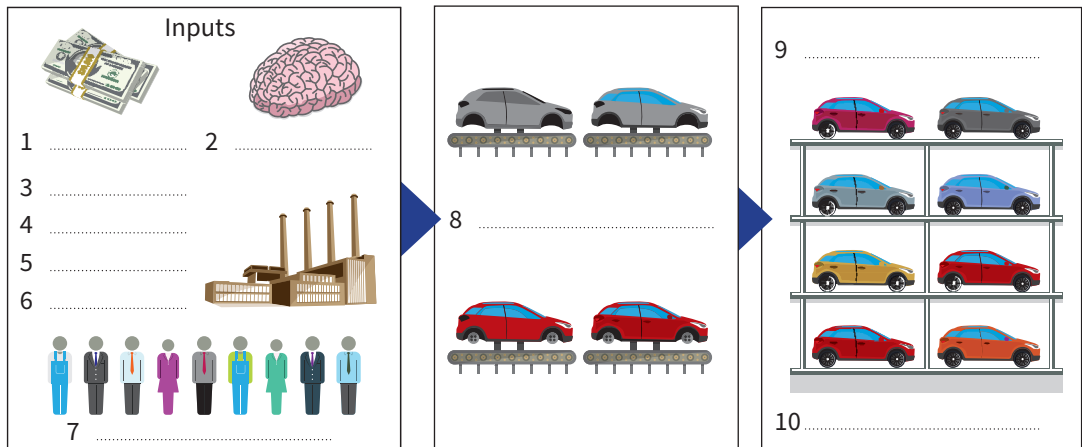
Note

Lean production is about as frequent as **lean manufacturing**.



Exercises

17.1 Use words from A opposite to label the diagram.



17.2 Match the sentence beginnings (1–6) with the correct endings (a–f) containing expressions from B opposite.

- | | | |
|--|--------------------------|--|
| 1 The computer manufacturer is cutting back on in- | <input type="checkbox"/> | a maintenance is worrying train operating companies. |
| 2 The poor standard of some subcontractors' | <input type="checkbox"/> | b spent \$157 million on the Cymbalta advertising campaign. |
| 3 Retail giants Sharks Ltd have decided to | <input type="checkbox"/> | c house production work in a bid to reduce costs and increase efficiency. |
| 4 Late deliveries from outside | <input type="checkbox"/> | d outsource canteen and cleaning services, to focus better on its buying and selling activities. |
| 5 Gruma has manufacturing | <input type="checkbox"/> | e suppliers are causing delays in production, the Azco group claims. |
| 6 Lilly and its partners | <input type="checkbox"/> | f operations on five continents, and its products are sold in more than 50 countries. |

17.3 Replace the words in *italics* with the correct forms of words from C opposite.

- 1 Let's get the materials *only when we need them* to keep costs down.
- 2 It's difficult to find the right *special buildings* to put our finished goods in.
- 3 You have to decide well in advance how to *pay for* all this.
- 4 It's very important that we *keep* these components at the right temperature.
- 5 The company found that using couriers on bicycles was a very *quick and effective* way to deliver documents in big cities.
- 6 They want to introduce a system of *making things efficiently without waste*.

Over to you

What are the advantages and disadvantages of the following?

- outsourcing
- asking for components 'just-in-time'

A

Mass customization

Production lines (see Unit 16) are good for **mass production** – producing large numbers of similar products. Manufacturers try to make **standard** products, with few variations, that as many people as possible will want to buy. **Standardization** is the most important factor.

Custom-built or **tailor-made** products, where each product is made to meet the **specifications, requirements** or **needs** (see Unit 21) of a particular customer, are more expensive to produce, of course.



Custom-built bicycles

The management thinker Joseph Pine and others talk about the possibilities of **mass customization**, where products are made in large quantities, but each one is made to the specifications of the **buyer** – the person or organization buying it. Dell Computers, where each computer is made for a particular buyer, is the best-known example of this.

B

Wikinomics

Wikinomics: How Mass Collaboration Changes Everything is a book by Don Tapscott and Anthony D. Williams. In it, they explain that **Wikinomics** is a form of **mass collaboration**, where companies have large numbers of people working together on the internet to solve problems and develop products. This is totally unlike current business methods and the authors predict that it will be a key to business success in the future. It is like an extreme form of **outsourcing** (see Unit 17). They say that customers who contribute to the design and development of products should be called **prosumers** – they work together to make things in a process of **peer collaboration** and **co-creation**.

C

The long tail

Another challenge to mass production is **the long tail**. In *The Long Tail: Why the Future of Business is Selling Less of More*, Chris Anderson says that the mass production **model** – way of doing things – does not apply to many products, such as selling books and music on the internet. In a large **catalogue** of items (see Unit 22), the cost of selling the least popular item is only slightly more than selling the most popular. Amazon has used this model to great advantage, profitably selling small numbers of specialized books, as well as large numbers of popular ones. **Economies of scale** and the **learning curve** (see Unit 28), where the cost of a product comes down in relation to the amount produced, do not apply.

D

Benchmarking

Jim is production manager at an electricity power station in Australia. He says, 'We use a system called **benchmarking** to compare our **performance** to performance levels in other power stations. We've recently been to the UK to see how the best power stations operate, to see the **best practice** in the industry, and to copy it. We've managed to **halve** the number of workers, and now our productivity is as good as the best power stations in the UK.'

Benchmarking can be seen as another form of **collaboration** – people and companies working together. Of course, a company will want to hold on to its **industrial secrets** – prevent competitors from obtaining information about its better performance in a particular area.



A power station

Exercises

- 18.1** Look at A, B, C and D opposite. Which business philosophy is each of these things an example of?
- 1 A gold mining company makes information about its mines available on the internet. Anyone can analyse the information to suggest where the company may find gold. If gold is found in the place that they suggest, the person gets a prize.
 - 2 A telephone company looks at other telephone companies to see which one issues the lowest number of bills to customers with mistakes in them. It then copies the methods of this company to reduce the number of mistakes in its own bills.
 - 3 An internet site used to stop selling particular products if none were sold for a year. Now it makes all its products available indefinitely.
 - 4 On its website, a bicycle manufacturer allows each buyer to specify exactly what sort of bicycle he or she wants.
- 18.2** Match the sentence beginnings (1–6) with the correct endings (a–f). The sentences all contain words and expressions from B opposite.
- | | | |
|---|--------------------------|--|
| 1 Wikinomics describes a scenario where the post-industrial age | <input type="checkbox"/> | a at peer collaboration as a way of coping with a new learning environment. |
| 2 Students are enthusiastic and positive about their many informal attempts | <input type="checkbox"/> | b Specifically, thousands of programmers contribute to Linux and over 75,000 people are writing and editing articles on Wikipedia. |
| 3 One goal of co-creation is to find a balance between the traditional emphasis on value extraction | <input type="checkbox"/> | c will naturally become the producers of the commodities which they want to produce. |
| 4 Linux, Wikipedia, YouTube and Facebook are all examples of mass collaboration. | <input type="checkbox"/> | d from consumers and the new stress on value creation with consumers. |
| 5 It would be a mistake to think of outsourcing as simply an economic transaction; | <input type="checkbox"/> | e is being transformed by allowing more people to put their intellectual muscle to the wheel. |
| 6 In the prosumer society we can deduce that all the consumers | <input type="checkbox"/> | f it is a universal tendency, like gravity, that exerts a pull on everything. |
- 18.3** Complete the sentences with expressions from C and D opposite.
- 1 Film distributors are working with a business that's ten years out-of-date.
 - 2 CEOs might look to unrelated industries for companies with outstanding practices and processes. For example, GE managers carried out by studying FedEx, which has exceptional customer service.
 - 3 Some American executives fear that overseas companies seek help from their own governments in stealing US
 - 4 Netflix, the largest online film rental website, boasts an endless list of film titles, making millions from the
 - 5 The 64-page with price list, offers products from 19 manufacturers, and promises 72 hours' delivery for most product lines.

Over to you

In what ways does your company or the place where you study try to improve efficiency?

A

Customers and clients

People who buy IBM's products and services are IBM's **customers** or **clients**.

Foster and Partners, a big architectural firm, has clients, rather than customers. **Client** often refers to people and organizations who buy the services of professionals such as accountants, lawyers, etc.

IBM's customers considered as a group make up its **customer base**. Foster and Partners' clients considered as a group form a **client base**. These are slightly technical expressions, used for example in business journalism.

People who buy a company's or a professional's products or services, especially expensive or exclusive ones, are its **clientele**.

You can also talk about the **users** of a product or service who may not be the organizations who actually buy it. The expression **end-users** refers especially to people who use products, particularly computer equipment and other technology. These expressions are often used in contrast to the producers and distributors (see Unit 24) of a product. For example, IBM sells products through various channels, but the end-users are the employees of the companies that buy its products.

People who buy products or services for their own use are **consumers**, especially when considered as members of large groups of people buying things in advanced economies.



A Foster and Partners' project

Note

Clientele is rarely used in the plural.

B

Buyers, sellers and vendors

A person or organization that buys something is a **buyer** or **purchaser**. But these terms are also used to talk about someone in a company or shop responsible for buying goods that it uses or sells. These people are also **buying managers** or **purchasing managers**. An **industrial buyer** is an organization that buys things for use in producing its own goods or services.

A person or organization that sells something is a **seller**. In some contexts, for example selling property, they are referred to as the **vendor**. (Business journalists and lawyers may also refer to people selling products, rather than services, as vendors.) People selling things in the street are **street vendors**. A **vending machine** is a machine from which you can buy coffee, cigarettes, etc.

C

The market

The market, **the free market** and **market economy** are used to talk about an economic system where prices, jobs, wages, etc. depend on what people want to buy, how much they are willing to pay, etc., rather than being controlled by a government. In this sense, **market** is often used in these combinations:

market	{	forces	used to talk about the way that a market economy makes sellers produce
		pressures	what people want to buy, at prices they are willing to pay
		-place	producers and buyers in a particular market economy, the way they behave, etc.
		prices	prices that people are willing to pay, rather than ones fixed by a government
		reforms	changes to an economy made by a government so that it becomes more like a market economy

Note

Market pressures occurs more frequently in the context of financial markets such as stock markets.



Exercises

19.1 Match each beginning (1–6) with its continuation to make true statements containing expressions from A opposite.

- | | | |
|--|--------------------------|--|
| 1 The Richard Rogers partnership has some prestigious clients – | <input type="checkbox"/> | a one day after increasing its customers' gas bills by a record 35 per cent. |
| 2 Louis Vuitton luggage appeals to | <input type="checkbox"/> | b Spanish Airports Authority, for example. |
| 3 Telefónica's client base grew 15 per cent, | <input type="checkbox"/> | c an upmarket clientele. |
| 4 Microsoft sells Vista to end-users | <input type="checkbox"/> | d bringing its customer base to 8.98 million. |
| 5 BSkyB said 92,000 new customers had signed up for its products in the last quarter, | <input type="checkbox"/> | e and also to major manufacturers, such as Dell and HP. |
| 6 Centrica, owner of British Gas, angered consumers by announcing pre-tax profits of almost £1 billion | <input type="checkbox"/> | f to 245.1m, from the end of June last year to the same time this year. |

19.2 Find appropriate forms of expressions in A and B opposite that refer to the following.

- someone who buys food in a supermarket (4 expressions)
- all the people who buy food from a particular supermarket chain, from the point of view of the chain
- someone who buys the services of a private detective agency
- all the people who buy the services of the agency, seen as a group (2 expressions)
- someone who sells goods or services
- someone selling a house (2 expressions)
- someone buying a house (2 expressions)
- someone who sells hamburgers to tourists outside the Tower of London
- someone whose job is buying tyres for a car company (4 expressions)
- someone who uses a computer, even if they have not bought it themselves, but their company has (2 expressions)

19.3 Complete the TV reporter's commentary with expressions from C opposite containing 'market'.

'In China, all economic activity used to be controlled by the state. Prices were fixed by the government, not by buyers and sellers in the **(1)**
 But in the last 20 years there has been a series of **(2)** that have allowed people to go into business and start their own companies.
(3) are determined by what buyers are willing to pay, no longer by the state. There are still state-owned companies that lose a lot of money. Until recently, they have been protected from **(4)** (2 possibilities), but **(5)** (2 possibilities) will eventually mean that they close down. Of course, the **(6)** has its losers – those without work, and victims of crime, which used to be very rare.'



Over to you

- What companies in your country have a large customer base?
- What is the purchasing manager responsible for buying in a large office?

A

Companies and markets

The **market** for a particular product is the people/organizations that buy it, or might buy it. Buyers and sellers of goods or services in a particular place form a **market**.

If a company	} a market,	enters	it starts selling there for the first time.
		penetrates	it starts selling, or sells more and more, there.
		abandons	
		gets out of	it stops selling there.
		leaves	
		withdraws from	it is the most important company selling there.
		dominates	it becomes the main company selling there.
		corners	it is the only company selling there.
		monopolizes	it makes the other company leave the market, perhaps because it can no longer compete.
		drives another company out of	

B

More word combinations with 'market'

Market is often used in these combinations:

market	}	growth	There has been huge market growth in the sales of digital music, with Apple in particular seeing a massive increase in the number of people buying songs from iTunes.
		segment	Regional airlines are important customers for the Embraer ERJ-145. They are a big market segment for Embraer.
		segmentation	Microsoft divides the software market into large companies, small companies, home office users, and leisure users. This is how it does its market segmentation .
		share	In the US, Japanese carmakers have been gaining market share – they are selling a bigger percentage of cars sold, and US manufacturers are selling a smaller percentage.
		leader	Tesco is the biggest supermarket chain in the UK and is therefore the market leader .

C

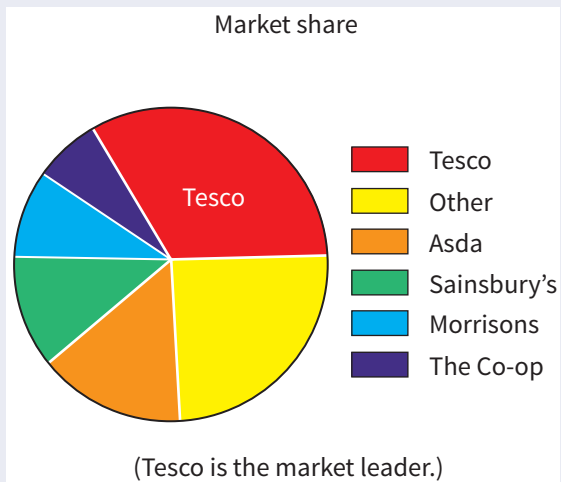
Competitors and competition

Companies or products in the same market are **competitors** or **rivals**. Competitors **compete** with each other to sell more, be more successful, etc.

The most important companies in a particular market are often referred to, especially by journalists, as **key players**.

Competition is used to talk about the activity of trying to sell more, be more successful, etc. When competition is strong, you can say that it is **intense**, **stiff**, **fierce** or **tough**. If competition isn't strong, it may be described as **low-key**.

The **competition** refers to all the products, businesses, etc. competing in a particular situation, seen as a group.



Exercises

20.1 Choose the correct verb from A opposite to complete the sentences and write its correct grammatical form.

- 1 Houston, Texas is conveniently located in the southern US and our objective is to make it the gateway for Latin American technology companies that want to (abandon / withdraw from / penetrate) the US market by opening an office there.
- 2 Las Vegas has (enter / corner / get out of) the market on US tourists looking for a wild escape for adults.
- 3 Foreign pharmaceutical firms are (enter / leave / monopolize) the market for the first time to target the country's growing and increasingly health-conscious middle class.
- 4 Listeners now have numerous stations to choose from, whereas in the past the market was (monopolize / dominate / withdraw) by All-India Radio network.
- 5 As Swiss bankers (penetrate / leave / get out of) markets abroad, they are facing like-minded competitors from elsewhere in the world.

20.2 Replace the underlined expressions with expressions from B opposite. You may need to add a verb in the correct form.

I'm Olinka and I'm marketing manager for a soft drink company in the Czech Republic. In this market, we **(1) sell more drinks than any other company.** In fact, we **(2) have 55 per cent of the market.** **(3) Sales are increasing at** seven to eight per cent per year. There are two main **(4) groups of consumers:** those who drink them in cafés, bars and restaurants, and those who buy them to drink at home. Of course, many consumers belong to both groups, but this is our **(5) way of dividing our consumers.**

20.3 Read this description of a language training market. Answer the questions.

In Paris, 500 organizations offer language training to companies. However, 90 per cent of sales are made by the top five language training organizations. The market is not growing in size overall. Organization A has 35 per cent of the market, and faces stiff competition from B which has about 25 per cent of the market and from C, D and E who have 10 per cent each, but who are trying to grow by charging less for their courses.

- 1 How many competitors are there in this market?
- 2 Is competition in the market strong?
- 3 Who is the market leader?
- 4 Who are the two key players?
- 5 Who mainly takes up the competition, from the market leader's point of view?
- 6 If one competitor increases its market share, can the others keep their market share at the same level?

Over to you

Talk about the competitors in a particular market and their market shares. (You could talk about the market that your company, or a company you would like to work for, is in.)

A

Marketing

Marketing is the process of

- **planning** – identifying future needs for –
- **designing** – developing and making –
- **pricing** – deciding the price for –
- **promoting** – informing customers about –
- **distributing** – making available –

goods/services in order to satisfy customer needs profitably.

The **marketing concept** should be shared by everyone in an organization – all managers and employees, not just those in the **marketing department**, should think in these terms of profitability through satisfying customer needs.

Companies point out how the special **features** – important characteristics and qualities – of their products and services possess particular **benefits** – advantages – in relation to the needs of the people who buy them.

Non-profit organizations have other goals, such as persuading people to give money to help people in poor countries, but these organizations also use the techniques of marketing. This is **social marketing**.

In some places, even totally different organizations such as government departments think about – or at least talk about – their activities in terms of the marketing concept.

B

The four Ps

The **four Ps** are:

- **product** – deciding what to sell
- **price** – deciding what prices to charge
- **place** – deciding how the product will be distributed and where people will buy it
- **promotion** – deciding how the product will be supported with advertising, special activities, etc.

A fifth P which is sometimes added is **packaging** – the materials used to protect and present a product before it is sold.

The four Ps are a useful summary of the **marketing mix** – the activities that you have to combine successfully in order to sell. The next four units look at these activities in detail.

To **market** a product is to make a plan based on a particular marketing mix and put it into action. The **marketing plan** for a new product or service shows how this can be realized.

A **marketer** or **marketeer** is someone who works in this area.

Marketer can also be used to describe an organization that sells particular goods or services.



Note

Marketeer is also used in expressions such as **free marketeer** – someone who believes in the benefits of the market economy (see Unit 19) and **black marketeer** – someone who makes money by selling goods illegally in a place where they are not normally available.



C

The market orientation

Marketers often talk about **market orientation** – the fact that everything they do is designed to meet the needs of the market. They, their organizations and the products they sell may be described as **market-driven**, **market-led** or **market-oriented**.

Exercises

- 21.1** Read this conversation from a marketing meeting. Replace the underlined expressions with expressions from A and B opposite. The first one has been done as an example.

Annika: There's a real customer need out there. We really want a **(1)** coherent set of ideas on how we're successfully going to design and sell the product. *marketing plan*

Baltazar: Yes, and we've got to decide on the product's **(2)** important characteristics and qualities and **(3)** advantages.

Annika: We've got to work out **(4)** what we're going to sell, **(5)** how we're going to communicate this, **(6)** where we're going to sell it and **(7)** what people are going to have to pay for it.

Baltazar: That's right, the **(8)** whole combination. And we mustn't forget about **(9)** how we're going to protect the product and make it look attractive.

Annika: Yes, we're first-class **(10)** specialists in this area (2 possibilities).



- 21.2** Match the sentence beginnings (1–7) with the correct endings (a–g). The sentences all contain expressions from C opposite.

- | | | |
|--|--------------------------|--|
| 1 There are now more efficient and market-oriented | <input type="checkbox"/> | a in several markets at once. |
| 2 Since the 1990s, China has had a much more market-led | <input type="checkbox"/> | b and replaced state planning with a market-oriented system. |
| 3 Many of today's best market-led growth businesses – General Electric, Microsoft, Virgin and Sony – are | <input type="checkbox"/> | c – where a common spirit improves the work – are not easy to make or keep going in our market-driven society. |
| 4 Lack of investment and poor market orientation | <input type="checkbox"/> | d approach to economics. |
| 5 For 50 years, American television has been a market-driven industry, | <input type="checkbox"/> | e left the companies with falling sales and profits. |
| 6 Deng decentralized control over the economy | <input type="checkbox"/> | f farms with less dependence on government money. |
| 7 Communities of actors, writers, directors and technicians | <input type="checkbox"/> | g and the audience has decided the direction it takes. |

Over to you

Think of an organization that is famous for being market-oriented. What factors are important?

A

Word combinations with 'product'

product	catalogue (BrE) catalog (AmE)	a list of a company's products (see Unit 18)
	mix portfolio	a company's products considered together and in relation to one another
	line range	a company's products of a particular type
	lifecycle	the stages in the life of a product and the number of people who buy it at each stage
	positioning	how a product is seen, or how a company would like it to be seen, in relation to its other products and/or to competing products
	placement	when a company pays for its products to be used or seen in films and TV programmes

B

Goods

Goods are the materials and components used to make products, or the products that are made. **Raw materials** are basic materials from which other things are made.

Finished goods are products ready to be sold.

Industrial goods are bought by other companies for use in their activities and products. **Consumer goods** are bought by individuals for their own use.

Consumer goods that last a long time, such as cars and washing machines, are **consumer durables**. Consumer goods such as food products that sell in large quantities are **fast-moving consumer goods (FMCG)**.



Raw materials



Finished goods

C

Brands and branding



A company gives a **brand** or **brand name** to its products so that they can be easily recognized. This may be the name of the company itself: in this case, you can talk about the **make** of the product, for example LG. For many products, you refer to the make and **model** – the Ford (make) Ka (model), the Sony Vaio or the Canon EOS.

Some brand names become names for the whole **product category** – for example Hoover for vacuum cleaners or Biro for pens.

Brand awareness or **brand recognition** is the degree to which people know a particular brand. All the ideas that people have about a particular brand are its **brand image**. A **brand manager** is in charge of the marketing of goods or services with a particular brand.

Branding is creating brands and keeping them in customers' minds through advertising, product and package design, and so on. A brand should have a clear **brand identity** so that people think of it in a particular, hopefully positive, way in relation to other brands.

Products that are not **branded** – those that do not have a manufacturer's **brand name** – are **generic products** or **generics**.

A product sold by a retailer with its own name rather than the name of its manufacturer is an **own-brand product** (BrE), or **own-label product** or **store brand** (AmE).

Exercises

22.1 Choose the correct expression from A opposite to complete each gap.

- 1 Unlike traditional product (line / mix / placement), under which companies provided goods at no cost in exchange for the exposure, TV advertisers will pay a lot of money for their products to get worked into the actual storyline.
- 2 At this food shop, the product (lifecycle / mix / positioning) includes local produce as well as nuts shipped from California, wine from France and olive oil from Italy.
- 3 The new product (lines / range / placement) are Mr Ballmer's answer to the most difficult questions about Microsoft's future: Where will it find new growth as the Windows and Office businesses continue to mature?
- 4 There needs to be a tough cost-control policy throughout the different stages of the product (catalogue / lifecycle / mix) in order to keep costs down.
- 5 The firm must define its markets, position ranges of brands and identify gaps which offer opportunities for expansion or new product (line / mix / positioning).
- 6 Ford's CEO Mark Fields wants to streamline the company's product (lifecycle / portfolio / positioning) so more cars and trucks are produced in fewer plants.

22.2 Which group or groups in B opposite does each of these products belong to?

1 microwave ovens 2 cotton 3 cars 4 hamburgers 5 soap powder

22.3 Match the sentence beginnings (1–8) with the correct endings. The sentences all contain expressions from C opposite.

- | | | |
|--|--------------------------|--|
| 1 A new breakfast food marketed under the brand | <input type="checkbox"/> | a brand packaged food. |
| 2 The supermarket group says there is evidence of customers opting for cheaper store | <input type="checkbox"/> | b identity in terms of green or non-green energy. |
| 3 It has been a leader in its product | <input type="checkbox"/> | c name of Slub would stand little chance of success. |
| 4 The law sought to increase the availability of cheaper generic | <input type="checkbox"/> | d manager, retail manager, and advertising planner. |
| 5 The commodity of energy is only beginning to form a brand | <input type="checkbox"/> | e awareness, so as media habits change, advertising approaches need to evolve too. |
| 6 The range of careers within the fashion industry includes: buyer, brand | <input type="checkbox"/> | f products are cheap for a reason. |
| 7 Ads are obviously used to increase brand | <input type="checkbox"/> | g category for more than 30 years. |
| 8 Many shoppers have now realised budget own-label | <input type="checkbox"/> | h products while providing incentives for drug companies to discover new products. |

Over to you

- What are typical product placements in a particular film or TV show that you know?
- What are the most famous brands of chocolate, soft drinks, breakfast cereal and fast food in your country?

A

Pricing

The owner of Allmart Stores talks about its prices:

‘As you know, our goods are **low-priced** and this permanently **low pricing** means we **charge** low prices all the time. Our competitors say their goods are more **expensive** because they provide customer service. But we believe that our customers are interested in **cheap** goods and don’t want to pay extra for service.

‘It is true that we have **loss-leaders** – these are cheap items which are there to attract customers. We have a policy of selling our goods below the ‘official’ **list price** or **recommended retail price**. This policy of **discounting** – selling at a **discount** to the list price – has been very successful.’

The owner of Luxmart says:

‘Allmart’s goods are **cheap** – low-priced but not of high quality. Our top-quality goods are **high-priced**, I agree, but we have high levels of customer service. In fact, most of our goods are **mid-priced** – not cheap and not expensive. But Allmart are **undercutting** us on some products – selling the same ones at lower prices than us.’

B

Word combinations with ‘price’

price	{	boom	when prices are rising quickly, to the benefit of sellers
		controls	government efforts to limit the amount by which prices increase
		cut	a reduction
		hike	an increase, especially one not wanted by the buyer; used by journalists
		war	when competing companies reduce prices in response to each other
		tag	a label attached to goods, showing the price; also means ‘price’

C

Upmarket and downmarket

Products exist in different **models**. Take skis for example. Some are **basic** and others more **sophisticated** and **exclusive**. The cheapest skis are **low-end** or **bottom-end**. The most expensive ones are **high-end**, **top-end** or **premium** products – designed for very experienced users (or people with a lot of money!). The cheapest **entry-level** skis are intended for beginners who have never bought skis before. Those in between are **mid-range**. When you buy more sophisticated skis to replace basic ones, you **trade up** and **move upmarket**.

If you buy cheaper skis after buying more expensive ones, you **trade down** and **move downmarket**.

To say that something is **downmarket** often shows disapproval. For example, if a publisher **takes** a newspaper **downmarket**, they make it more popular, less cultural, etc. in an attempt to increase the number of readers.

Note

BrE/AmE: **upmarket, downmarket**
AmE: **upscale, downscale**

D

Mass markets and niches

Mass market is used to talk about goods that sell in large quantities and the people who buy them, for example family cars. A **niche** is a group of buyers with specific requirements that is relatively small but that may be profitable for companies that sell to it, for example sports cars.

Exercises

23.1 Look at A opposite and the table below. Then say if the statements (1–6) are true or false.


Model	List price (£)	Our price	Average price of similar competing products
Small off-road 4x4	30,600	29,500	29,100
Medium off-road 4x4	31,095	28,999	29,000
Large off-road 4x4	59,700	58,999	58,600

- 1 The retailer has a pricing policy where the prices are below list prices.
- 2 The small off-road 4x4 model is low-priced, and cheap in relation to competing products.
- 3 This retailer charges £59,700 for the large off-road 4x4 model.
- 4 The large off-road 4x4 model is the highest-priced model.
- 5 The large off-road 4x4 model is cheap in relation to competing products.
- 6 All the models are sold at a discount to their list price.


23.2 Complete the sentences with the appropriate form of words in B opposite.

- 1 A standard tank with enough helium gas to fill 400 average-size balloons cost \$40 five years ago but \$88 today, Kaufman said. And there will be another 50 per cent price before Christmas.
- 2 Share prices of firms related to the corn industry have closely followed the recent corn price, which has been largely fuelled by an increase in ethanol production.
- 3 The price have made the televisions, which are manufactured in Asia and Mexico, affordable to many more families.
- 4 Government price make Alcon's pharmaceutical products less profitable.

23.3 Look at C and D opposite. Then read an article from 2008 and answer the questions.



STARBUCKS IN TROUBLE



From the beginning, the key to Starbucks' success was its upmarket image. That the coffee itself was rather expensive only added to its appeal. If you wanted cheap coffee, then go to a diner.

For a long while Starbucks managed to keep ahead of the game, expanding very fast, buying competitors and launching new products. Premium coffee remained the basic product – and one others could easily copy. Now McDonald's offers premium coffee,

not only cheaper than Starbucks' but of a quality that won first place in a survey in March by Consumer Report.

As a result, Starbucks finds itself caught in a new, unwelcome 'third place', pressed from below by the fast-food chains that until recently had been considered more downmarket, and from above by a new generation of more upmarket, exclusive and sophisticated coffee houses.

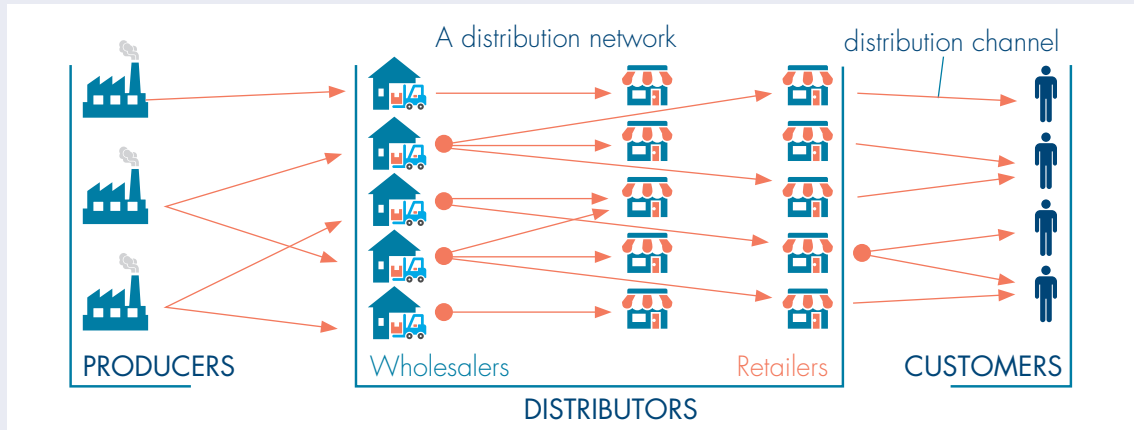
- 1 What sort of image did Starbucks have when it was launched?
- 2 Was the fact that it was expensive a problem?
- 3 Did Starbucks grow just by opening new coffee shops?
- 4 How has McDonald's coffee changed in the last few years?
- 5 Is Starbucks in a good competitive position? Why? / Why not?

Over to you

- Which companies in your country offer the lowest prices?
– for family cars – for home furniture – in supermarkets
- What are the advantages and disadvantages for a company with an upmarket image trying to increase its sales by offering cheap products?

A

Distribution: wholesalers, retailers and customers



A wholesaler or retailer selling a particular type of product, for example cars, is a **dealer**, or, especially in the case of computer equipment or telecommunications services, a **reseller**.

Wholesalers and retailers are **distributors**. Distributors may be referred to, sometimes disapprovingly, as **middlemen**. If someone buys something directly from a producer, instead of from a distributor, in order to save money, they might say that they are **cutting out the middleman**.

B

Shops

A **shop** (BrE) or **store** (AmE) may be referred to technically, for example by a maker of goods, as a **retail outlet** or **sales outlet**. Here are some types of shop:

- **chain store** – a shop that is part of a group of shops, all with the same name
- **convenience store** – a shop in a town that is open long hours
- **discounter** – a wholesaler or retailer with very low prices
- **department store** – a very large shop, usually in a town centre
- **hypermarket** – a very large shop with a wide variety of goods, usually outside a town
- **supermarket** – a very large shop, selling mainly food

In Britain, a **shopping centre** is an area or building with a number of shops. There are **malls** or **shopping malls** where it is easy to park, especially on the edge of towns.

Franchises are owned by **franchisees** – the people that run them – but they only sell the goods of a particular company. The **franchisor** – the company – provides the goods and organizes advertising centrally and in return takes a percentage of the profits of each franchisee. Other types of business, such as restaurants, can also be run in this way.

C

Direct marketing

'Hi, I'm Beatrice and I work in a **direct marketing** company in Brussels. We organize **mailings**, sending information by post for everything from magazines to vacations. We call this **direct mail**, but the people who dislike receiving it sometimes call it **junk mail**. Of course, we **target** our mailing lists very carefully – choose who to send them to. There's no point in sending **mailshots** for garden tools to people who live in apartments!

'We also do **telemarketing** – selling by telephone from our **call centres**. The most difficult thing is making **cold calls** to people who have had no contact with us before.'

Note

BrE: **call centre**
AmE: **call center**

Exercises

- 24.1** Use expressions from A opposite to complete this presentation.
- Michael Dell started out in the PC business in the 1980s when he tried to buy a PC. There was a complicated (1) d..... c..... between the manufacturer and the customer: (2) w....., (3) r..... and (4) r..... all added to the costs, but at that time they didn't add much value from the point of the (5) c..... . So until recently, Dell manufactured every PC to order and delivered straight to the buyer. This allowed them to reduce costs, and thanks to this they have become the biggest manufacturer of PCs. Now they are in this strong position, they have started to sell their computers through (6) r..... (2 possibilities) as well.



- 24.2** Look at B opposite and say where you go if you want to do the following.
- 1 park easily and visit a number of different shops without having to go to the town centre
 - 2 visit different shops grouped together in a British town centre
 - 3 buy a packet of sugar if all the supermarkets are closed
 - 4 buy food and some other products extremely cheaply
 - 5 buy clothes in a town centre without going to a specialized clothes shop
 - 6 buy clothes, a computer and products for doing repairs on your house all in one shop, outside the town centre
- 24.3** Which expression in C opposite does 'it' in each sentence refer to?
- 1 I really hate it, all that stuff coming through my letter box.
 - 2 It's a terrible place to work. We have to make 30 calls an hour, and the manager is always checking up on us.
 - 3 300,000 well-targeted letters to cat-lovers? We can organize it, no problem.
 - 4 I have to do it. I've never spoken to them before, and they may be in the middle of lunch, but I've got no choice.
 - 5 The two main activities that make it up are mailings and telemarketing.
 - 6 People who come home to ten answerphone messages, all selling things, tend to hate it.

Over to you

- Do you prefer shopping in the city centre or out of town? Why?
- Which companies in your country often advertise by direct mail?
- What do you think of telemarketing?

A

Advertising

Each photo shows a different advertising **medium**.



Classified advertisements

Open-air hoardings (BrE) /
Billboards (AmE)



Special displays



TV commercial



Neon signs

A series of advertisements for a particular company, product, etc. is an **advertising campaign**. A television advertisement is also called a **commercial**.

A person or business that **advertises** is an **advertiser**. An organization that designs and manages advertising is an **advertising agency**.

Another form of advertising is **sponsorship**, where companies **sponsor** events like concerts and sports events, by paying some of their costs or paying for their products to be displayed.

Note

BrE: **ad, advert, advertisement**
AmE: **ad, advertisement**

B

The sales force

A company's **salespeople** – its **salesmen** and **saleswomen** – visit or phone customers and persuade them to buy its products. Each member of this **sales force** has his or her own **sales area** or **sales territory** – they may be responsible for a particular region. The head of the sales force is the **sales manager**.

C

Promotional activities

Promotion (uncountable) can refer to all the activities designed to support the sale of a product, including advertising. **A promotion** (countable) can describe:

- a **special offer** such as a **discount** or reduced price (see Unit 23)
- a **free sample** – a small amount of the product to try or taste
- a **free gift** given away with the product
- a **competition** with **prizes**

Supermarkets, chain stores and airlines also offer **loyalty cards** – the more you spend, the more points you get, and you can exchange these points for free goods or flights.

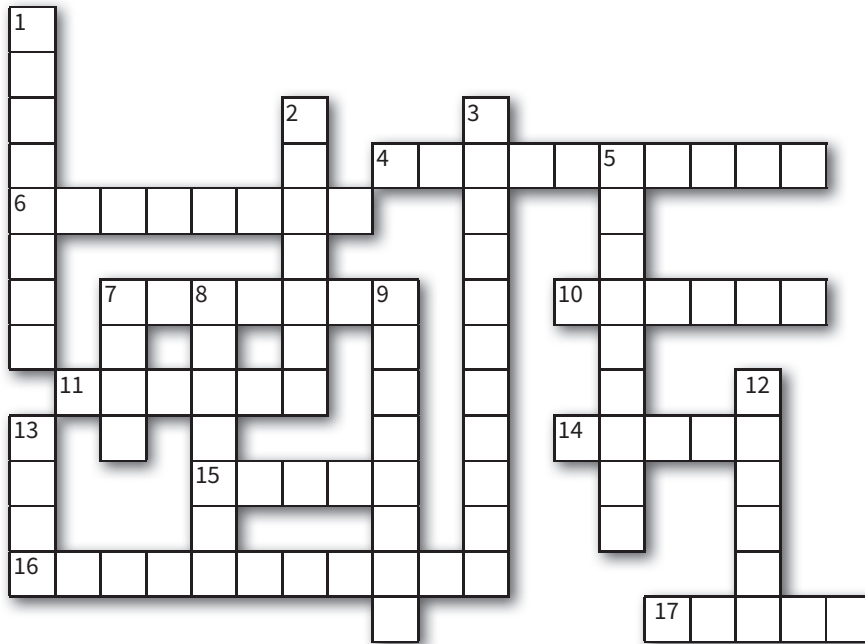
A **cross-promotion** is where you buy one product, and you are recommended to buy another product, for example a washing machine with a recommendation for a particular brand of washing powder.

Advertisements where famous people recommend the product are **product endorsements**.

Product placement is when a company pays for its products to be used or seen in films and TV programmes (see Unit 22).

Exercises

25.1 Complete the crossword with the correct form of words from A, B and C opposite.



Across

- 4 particular offers, competitions, etc. (10)
- 6 You find these at exhibitions: special (8)
- 7 They give you direct experience of a product. (7)
- 10 You win these in competitions. (6)
- 11 an organization that plans and designs campaigns: advertising (6)
- 14 all the sales people: sales (5)
- 15 given away with a product (5)
- 16 organizations that advertise (11)
- 17 The sales force is made up of salesmen and sales (5)

Down

- 1 BrE for 'billboard' (8)
- 2 can encourage customers to revisit the same store: cards (7)
- 3 TV advertisements (11)
- 5 One salesperson takes care of this. (9)
- 7 not necessarily neon (4)
- 8 head of the sales force: sales (7)
- 9 male salespeople (8)
- 12 TV is an example of a (6)
- 13 One salesperson takes care of this. (4)

25.2 Match the sentences (1–5) with the correct expressions (a–e) from C opposite.

a free gift b loyalty card c product placement d promotions e special offer

- 1 Many supermarkets run competitions and offers to encourage people to buy from them.
- 2 Yesterday, I bought two kilos of oranges for half the usual price.
- 3 I bought some coffee that came with a free mug.
- 4 Cars in Bond films have ranged from an Aston Martin to a BMW.
- 5 I sometimes forget to take it when I go shopping, but you can add the points later.

Over to you

- Describe a sponsorship deal in sport that you know of.
- Which companies offer loyalty cards in your country?

A

Going up

Journalists in particular use these verbs to describe amounts or figures that are going up.

- | | | |
|---|--|---|
| 1 | BT SHARES <u>ADVANCE</u> IN ACTIVE TRADING | Shares in BT increased in value, and a lot of them were bought and sold. |
| 2 | TRADE SURPLUS <u>JUMPS</u> TO RECORD LEVEL | The value of exports over imports is higher than ever. |
| 3 | FUEL PRICES SET TO <u>SKYROCKET</u> | Prices for fuel are going to rise by a large amount. |
| 4 | UNEMPLOYMENT <u>LEAPS</u> TO TEN-YEAR HIGH | The number of people without work is now higher than it has been for ten years. |
| 5 | GOOGLE <u>SOARS</u> AS INTERNET GROWTH CONTINUES | Shares in Google have increased greatly in value due to continued growth in internet use. |
| 6 | VW PROFITS UP AS CAR SALES CONTINUE TO <u>SURGE</u> | Profits in VW have increased thanks to rapidly rising car sales. |

B

Going down

The verbs here are used to talk about amounts, figures, etc. that are going down.

- | | | |
|----|--|--|
| 7 | 1,000 JOBS <u>AXED</u> AS DEFENCE PLANT CLOSES | A defence company has told 1,000 factory employees that they are to lose their jobs. |
| 8 | EUROPEAN CENTRAL BANK <u>CUTS</u> RATE IN SURPRISE MOVE | The ECB has reduced interest rates when this was not expected. |
| 9 | SIEMENS <u>EASES</u> ON PROFITS WARNING | Siemens' share price has gone down slightly after they said that profits would be lower than expected. |
| 10 | SEPTEMBER RETAIL SALES <u>PLUMMET</u> | Sales in shops have fallen a long way in September. |
| 11 | GOVERNMENT <u>SLASHES</u> INCOME TAX TO TEN PER CENT | The government has reduced income tax by a large amount to 10 per cent. |
| 12 | EURO <u>DIVES</u> TO NEW LOWS | The euro is worth less in relation to other currencies than it has ever been. |

C

Peaks and troughs

If a series of figures rises to a level and then stops rising, it **levels off** or **levels out** and remains **steady** or **stable**, perhaps before going down again. If it reaches a **peak** – its highest level – and then goes down, it **peaks at** that level. If it reaches a **trough** – its lowest level – and then **bottoms out**, it stops falling.

D

Boom and bust

Demand is the amount of goods and services that people want in a particular period. A **boom** is when there is rising demand, fast economic growth, falling unemployment, etc.

Stagnation is when the economy is growing slowly, or not at all. **Stagflation** is when there is slow growth, but prices are increasing fast.

A **recession** is a period when there is **negative growth** – a period when the economy is getting smaller because it is producing less. A **slump** is a very bad recession. A **depression** is a very bad slump. **Boom and bust** is a period of growth and rising company profits followed by one with falling growth and losses. (See also **go bust** – Unit 33.)

Exercises

- 50.1** Annelise Schmidt (AS) phones James Cassidy (JC) and arranges to meet him. Reorder their conversation, which contains expressions from A and B opposite.
- a AS: Fine thanks. I'm going to be in London on Tuesday and Wednesday next week. How about meeting up to discuss how Penguin and Sprenger might work together?
 - b AS: Hello. This is Annelise Schmidt. You remember we met at the Frankfurt Book Fair last month?
 - c AS: Look forward to seeing you then. Bye.
 - d AS: Sounds good. Shall I meet you at your office? I've got the address.
 - e AS: Yes, that's fine.
 - f JC: James Cassidy speaking.
 - g JC: Goodbye.
 - h JC: I'll just check my diary. I won't be able to make Tuesday. I've got to go to Manchester. Would Wednesday suit you? How about lunch?
 - i JC: OK. See you on Wednesday at 12.30, then.
 - j JC: Yes, how are you?
 - k JC: Yes. Why don't you come round here at about 12.30? Ask for me at reception and I'll come down.

- 50.2** Look at B and C opposite. Which of these exchanges are natural, and which are illogical?

- 1 A: Nice talking to you. See you on Wednesday.
B: See you Wednesday. Thanks for calling. Bye.
- 2 A: I'll look forward to seeing you tomorrow, then.
B: Talk to you soon, no doubt. Bye.
- 3 A: It's been good talking to you. I'm going to have to go. I've got to go to a meeting.
B: Nice talking to you. I'll be in touch soon.
- 4 A: See you this afternoon at 4, then.
B: Yes, we'll be back in touch soon.
- 5 A: I've got to get on with some work. I'm going to have to go.
B: Talk to you soon, no doubt. Bye.

- 50.3** Match these possible replies (1–5) with what the speakers say in D opposite.

- 1 I suppose so: it would have been good to meet. Look forward to hearing from you when you're less busy.
- 2 The 22nd ... I'm going to be on holiday. What about the 29th?
- 3 The afternoon would be no problem. How about at 3?
- 4 Wednesday's going to be difficult. Can you make the next day?
- 5 Yes, the same day the following week would be fine.

Over to you

- Do you make arrangements on the phone at work – or do you prefer to use email?
- Do you find it difficult to end phone calls in English and also in your own language?