

English for Business



The **Bellcrest** Series

THE BELLCREST SERIES

English for Business

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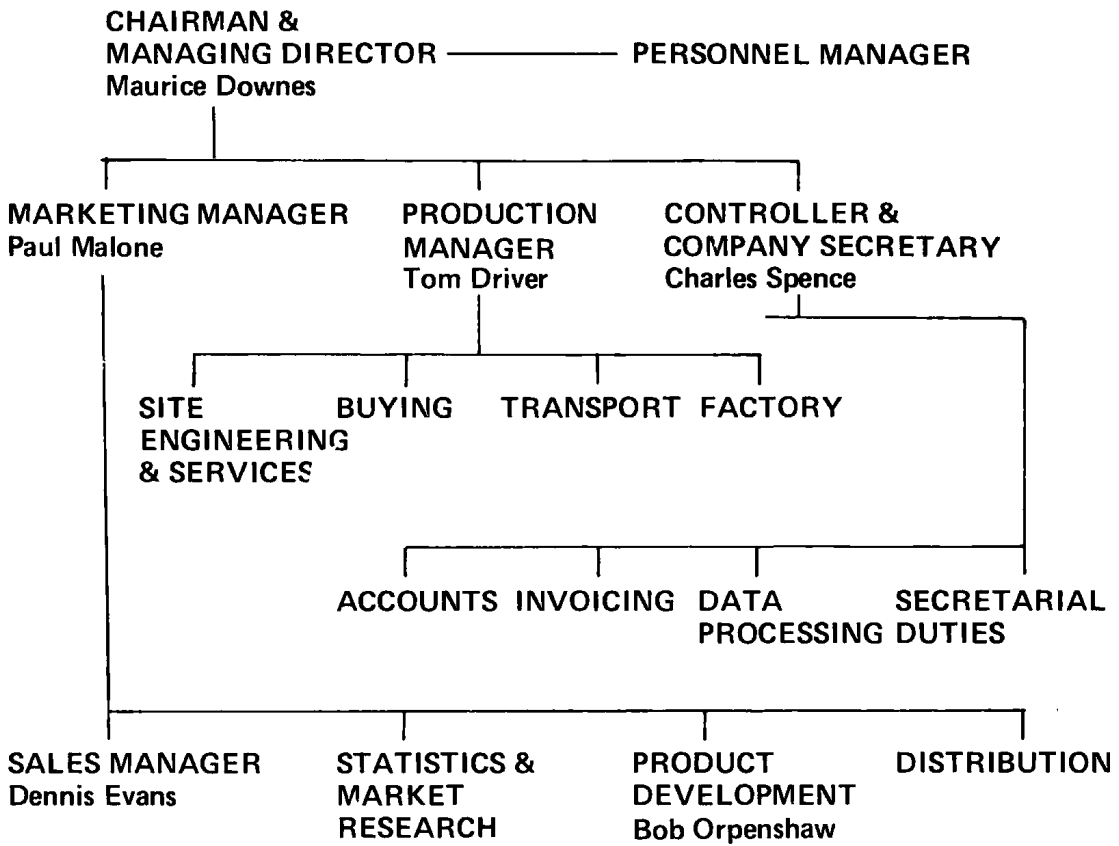
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THE STRUCTURE OF BELLCREST LIMITED



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George Hanson, a journalist writing a series of articles on successful companies, visited Bellcrest to make a case study of the firm. Bellcrest Limited is a medium sized company with its factory and offices near Leicester in the English Midlands. It manufactures electronic components for computers and communications and control systems.

Hanson learned that five years ago Bellcrest was in financial difficulties, because it had been concentrating on the research and development of new products rather than on marketing them. Ashburnham's, the merchant bank, made a loan of £300,000, at a low rate of interest, and bought a percentage of the shares. They put Edward Needham, Sir Frederick Ashburnham's assistant, on the Board of Directors and appointed Maurice Downes as Chairman and Managing Director.

As Downes and the Marketing Manager, Donald Williams, disagreed on policy over discontinuing certain products; Williams was forced to resign and Downes appointed Paul Malone in his place. Downes reduced the range of products and concentrated on making better use of resources and on more efficient production

As a result of his policy, annual sales have increased rapidly during the last five years, and the sales output per employee has almost doubled; Bellcrest is now a successful profit-making concern. Hanson also learned that Malone is looking out for opportunities to expand and diversify while Downes is very cautious about changing his policy.





At a meeting at the Bank, Sir Frederick Ashburnham expressed his satisfaction at Bellcrest's recovery, indicated by the rise in share prices and the increase in the final dividend. He told Downes that, in Edward Needham's view, Bellcrest no longer needed the loan, and the Bank might decide to withdraw it in order to reinvest the capital with an expanding competitor with development plans.

Downes was taken aback at this news and had to agree to let the Bank have detailed proposals of Bellcrest's development plans within the next two months in the hope of persuading the Bank to allow Bellcrest to keep the loan.

Downes' first course of action after this unexpected turn of events was to call at Malone's home the same evening. He instructed Malone to look at all Bellcrest's development projects and to report back to him with his recommendations.

EXERCISES

Exercise A Complete the following sentences:

- 1 An _____ is a man who puts his money into a business. If he i.
his money in a company, he usually buys _____ in that company and is
known as a _____. Instead of a fixed r. _____ of i. _____ he usually
receives a d. _____ on his capital.
- 2 Unless a company holds a monopoly, it has to _____ with rival firms.
The existence of _____ is a factor no company can ignore; indeed, many
companies keep a constant eye on the activities of their _____
- 3 Before a company decides to introduce a new product it must ensure that there
is a _____ for it. To find out whether it can _____ the product,
a company will often conduct a m. _____ s. _____. Most companies
have a M. _____ M. _____ who is in charge of sales promotion.

Exercise B Make sentences from these notes:

Examples:

Bellcrest/make/electronic components?

Does Bellcrest make electronic components?

Malone/want/diversify/product range.

Malone wants to diversify the product range.

- 1 Orpenshaw/work/research and development department.
- 2 Downes/carry/heavy responsibility.
- 3 Evans/not/Board of Directors.
- 4 Bellcrest/manufacture/electronic components?
- 5 Ashburnham/not/want/continue/loan/Bellcrest.
- 6 When/you/want/my report?
- 7 Downes/not/understand/Needham/arguments.
- 8 He/delay/every decision/until/too late.
- 9 You/have/plans/development?
- 10 We/not/know/why our products/not/sell.

Exercise C Complete these sentences:

- 1 Five years ago Smith & Co. only (manufacture) _____ bicycles.
- 2 They always (sell) _____ most of their products on the home market
but (export) _____ some of them to Africa.
- 3 In 1968 foreign competition (increase) _____ and sales (drop)
sharply.
- 4 The Board of Directors (feel) _____ that the company (must)
diversify.
- 5 They (plan) _____ to get a loan from the Bank and as the company (enjoy)
a high reputation, they (have) _____ no difficulty in
getting one.

- 6 They (spend) this money on development and (begin)
production of motorcycles a few weeks ago.
- 7 Hanson (write) a very interesting article on Bellcrest.
- 8 Bellcrest (take over) a smaller company last year.
- 9 Their competitors (read) about it in the Financial Times.
- 10 One customer (buy up) our complete stock.

Exercise D Make sentences from the table below:

- Example a) Bellcrest's designs are reliable*
b) True. But on the other hand, Davidson's designs are more effective.

Bellcrest's	designs	effective
	marketing techniques	good
	products	successful
Our company's	production methods	is efficient
	salesman	are quick
Davidson's	service	slow
	delivery	bad

Exercise E Written Task

When Downes returns to Bellcrest after his meeting with Sir Frederick Ashburnham at the Bank, he has to write a letter confirming the points raised during the discussion. You write this letter for him. Use these notes:

Surprised at possible withdrawal of bank loan.

Agree to produce development plans within two months.

Trust no action will be taken until then.



DRILLS

Drill 1 The Bellcrest works are in London, I believe.
NO, ACTUALLY THEY AREN'T IN LONDON.
Oh, surely they make electrical machines.
NO, ACTUALLY THEY DON'T MAKE ELECTRICAL MACHINES.

Drill 2 I wonder what products Bellcrest manufactures.
YES, WHAT PRODUCTS DOES BELLCREST MANUFACTURE?
And I wonder why Williams resigned.
YES, WHY DID WILLIAMS RESIGN?

Dialogue *George Hanson arrives at Bellcrest.*

Hanson: Good morning, I have an appointment to see Mr. Malone, the Marketing Manager, at 11.15.

Hanson: Hanson. George Hanson.

Hanson: Thank you very much.

Hanson: Yes, that's right.

Hanson: How do you do? I hope I'm not putting you to any trouble.

Drill 3 Notes:

- 1 The works
- 2 Our sales company
- 3 Managing Director
- 4 Supplement
- 5 You
- 6 An explanation
- 7 Their contract
- 8 The Board

Drill 4 *Paul Malone is introducing his associates to visiting journalists.*

- 1 Managing Director/Downes
- 2 Sales Manager/Evans
- 3 Chairman/Downes
- 4 Company Secretary/Spence
- 5 Head of Research/Orpenshaw
- 6 Personnel Manager/Jenkins
- 7 Production Manager/Driver
- 8 Transport Manager/Mackenzie

ACTIVE LISTENING

George Hanson, a journalist, is questioning Malone about Bellcrest.

- 1 How much did Hanson know about the history of Bellcrest before he talked to Malone?
.....
.....
- 2 Why did Downes have to put the company back on its feet?
.....
.....
- 3 What was Bellcrest's reputation before Downes came?
.....
.....
- 4 Why didn't Bellcrest have enough money to continue their research five years before?
.....
.....
- 5 What action did the company then take?
.....
.....
- 6 Why was Edward Needham appointed to the Bellcrest Board?
.....
.....
- 7 How long did Downes wait before cutting out unprofitable lines?
.....
.....
- 8 What does Malone think about Bellcrest's present markets?
.....
.....
- 9 What details does Malone give Hanson about new fields he plans to go into?
.....
.....
- 10 What is Hanson's reaction to this?
.....
.....

ROLE SIMULATION

Statement of Problem When Downes introduced his new policies designed to put Bellcrest back on its feet, it was not only Donald Williams who resigned. There were a number of resignations from men occupying key positions within the company. The posts that fell vacant at that time were those of Personnel Manager, Transport Manager, Distributor Sales Manager, Supply Manager, Deputy Company Secretary and Deputy Head of Research and Development.

Bellcrest advertised these posts and received a great many applications. On the basis of the curriculum vitae submitted, a short list of three candidates was drawn up for each post, and those selected were asked to attend an interview. Downes formed a selection board to conduct the interviews consisting of himself, Paul Malone and Bob Orpenshaw.

The problem confronting the panel is therefore to select the most suitable applicant of the three applying for each post.

Written follow-up You are Downes. Write two letters to two of the candidates you have interviewed, one offering the candidate the job, the other rejecting the candidate.

DESCRIPTION OF ROLES

Maurice Downes

You are the Chairman of the selection board and are therefore responsible for leading each interview. You may allot particular areas of each interview to Malone or Orpenshaw. Remember you will have to decide which candidate to appoint.

Malone

You are the Marketing Manager and should approach each interview with your marketing requirements firmly in mind. You are free to invent your requirements.

Orpenshaw

You are the Head of Research and Development and should approach each interview with the needs of your department firmly in mind. You are free to invent your requirements.

Each member of a selection board

Before you interview a candidate, you should work out your attitude to the following points:—

The salary you will offer.

The qualifications you require for the job.

What value to put on the candidate's previous experience.

The prospects you can offer at Bellcrest.

You should think up some other points to raise with the candidate.

Each Candidate

Before being interviewed you should think out an imaginary curriculum vitae.

You should also work out your attitude towards such questions as:—

Salary.

Holidays

Prospects with Bellcrest

Responsibilities

You should think up other points which you may wish to raise at the interview.



Supplementary Exercise

Complete the following sentences:

- 1 When you see an advertisement for a job, and you want to a. _____ for the job, you send in an a. _____
- 2 You usually enclose a c. _____ v. _____ with your letter.
- 3 If there are a great many c. _____ for a single job, a company usually draws up a s. _____ l.
- 4 Candidates are then asked to come to an i. _____, which may be before a s. _____ b. _____ or with a single person.
- 5 The a. _____ is made on the basis of the interview and r. _____ from people who know the candidate.

Name

Date of Interview:

Time

Married/single

age

children

Health

Willingness to travel

Manner and Appearance

Education and Qualifications (summarize)

Present Position

Experience

Administrative ability

Social ability, relationships

Ability to work under stress

Initiative

Motivation (goals)

Leisure Activities and Interests

Present Salary

Date from which available

Expenses

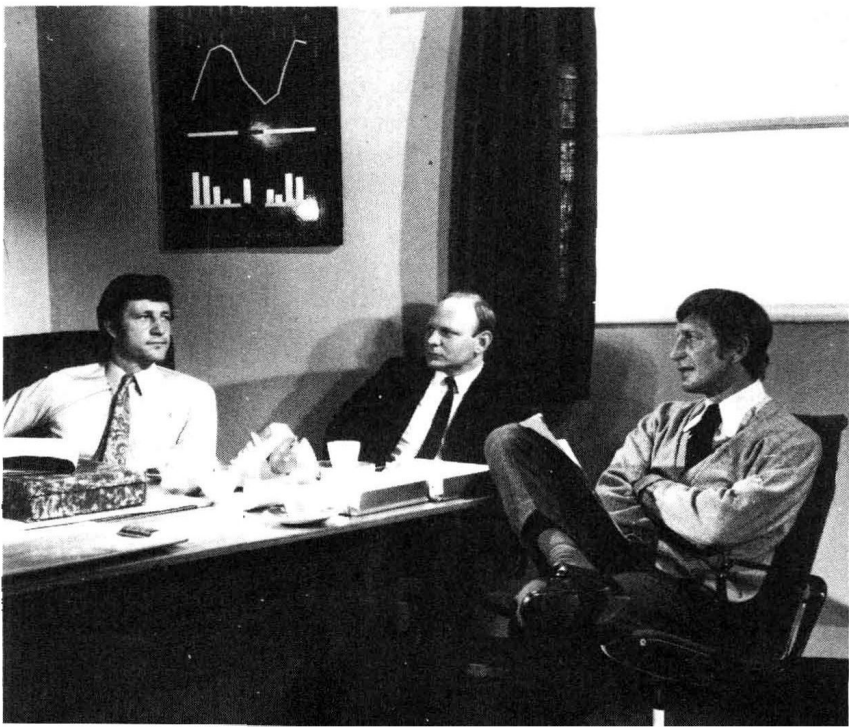
Paid/to be paid



It came as a complete surprise to Downes that the Bank was considering withdrawing the £300,000 loan it had advanced five years ago. To keep the loan Downes would have to supply the Bank with details of convincing development projects, before he was in a position to do so. Immediately after the meeting with the Bank, Downes called at Malone's home and told him to look into the question of suitable projects and report back to him as quickly as possible. Malone promised that there would be a report on his desk the following Monday.

The following morning Malone asked Evans and Orpenshaw to come to his office to review all the development projects Bellcrest had undertaken in the last five years and consider which project should be given priority. It very soon became clear that Evans wasn't in favour of any of the projects. Although the projects were good in themselves, he felt that from a sales point of view there was little chance of their giving Bellcrest the edge over their competitors. It was also true, as Evans went on to say, that some of the projects had been suspended and were also well outside Bellcrest's normal field of operations. To Orpenshaw, on the other hand, there was no question which project to support. It was obvious that the SC1 was the one to back. The SC1 was a speed control mechanism for vehicles driven by electricity, such as electric vans and fork-lift trucks. There are considerable advantages in using such a device, but it had been decided to suspend the SC1 five years ago, a decision that had led directly to the resignation of Donald Williams.

Malone realized that it would be extremely difficult to revive the SC1. Despite its technical advantages, there was no established market for it, and it had not been fully developed before its suspension. Malone worked on the SC1 files all weekend, having instructed Evans and Orpenshaw to meet him again the following Monday.





At the second meeting, Evans was still very much against the SC1, whereas Orpenshaw was whole-heartedly in favour of it. Five years ago the arguments against the SC1 were primarily that there were poor prospects for sales in the industrial vehicle sector and that it would have taken five years for Bellcrest to break even and longer to show a profit. It had not been clear at the time whether a market existed among car manufacturers and an added consideration was Bellcrest's lack of experience in the automotive field. There had also been the bad cost price ratio to take into account.

Malone was quick to realize that these arguments no longer held water. It was possible that with everyone wanting to get rid of pollution there already was a potential market for the SC1 in the private vehicle sector. Moreover, the prospects in the industrial vehicle sector had improved. Production costs could be cut, as Orpenshaw could easily design-in new components that would be cheaper and more efficient.

Eventually it was decided to submit the SC1 to Downes as a project deserving priority. Despite its being controversial, Malone was convinced he had taken everything into consideration and was in a position to support his choice of the SC1 with solid arguments.

Downes' immediate reaction on seeing Malone's report was to call in the Company Secretary, Charles Spence. Spence was immediately against the SC1 because of the expense involved in developing it, although he admitted it was a fine technical achievement. Despite Malone's offering to answer his questions, Spence remained highly sceptical of the SC1. Malone mentioned that his department had enough money for a market study. Downes refused to commit himself, and Malone was left to wait for his decision.