

Heavy Goods Vehicle

Buyer's brief

You are an independent owner and are about to negotiate with someone who wishes to sell you a 3 year old, heavy duty, refrigerated vehicle. You distribute food products for manufacturers throughout the U.K.

Your HGV has broken down and must be replaced. You have already spent 2 weeks trying to find a replacement, without success. If you delay much longer, you will lose a contract worth £14,500 profit each year. Already your business is losing \$350 for each day you are without one.

You have £36,000 to spend and **no more**. The seller's HGV is luxurious and much more comfortable than the one you currently own.

You feel the asking price, at £37,500 is high, but it is in good condition and mechanically sound.

You have been shopping around and there are no new vehicles available for at least 3 months and none that are suitable, for rent. You have seen 3 alternative second hand vehicles, that you could buy, for £27,000, £29,000, and £30,000. While these are okay, none is as good as the seller's. The mileage on these 3 is 75,000, 65,000 and 55,000 miles, respectively.

You have 15 minutes to either reach agreement, or not. If you don't you will be forced to buy 1 of the other 3 trucks, in order to secure the contract.

You have 10 minutes to prepare.

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Seller's brief

You are an independent owner of a refrigerated, heavy goods vehicle. It is in immaculate condition, but you are being forced to sell, because you have just lost your licence for speeding. You are about to meet with a buyer, who says he is interested in looking at your vehicle.

It is worth £37,000, and you are asking for \$37,500, but if you don't sell today, the bank will repossess the vehicle and sell it cheaply, at auction. This will leave you with nothing, despite paying £43,500 for it 3 years ago.

If you get over £26,500 you keep the difference, as this is what you owe the bank.

You have tried hard to sell the vehicle without success. You have had several offers in the £28,000 to £35,000 range, but all these potential buyers wanted credit off you. You know that 3 other models are currently being offered for £27,000, £29,000 and £30,000 and that the advertisements say they are in excellent condition.

The potential buyer is in the haulage business and has a good reputation, and serious about looking at the truck. He probably has the cash to make you a good offer.

You are desperate. The vehicle is all you own and your partner will kill you if you lose all the equity on the truck.

You have 15 minutes to reach agreement. If you don't you must call the bank and have them arrange to collect it.

You have 10 minutes to prepare.

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Information common to both parties

Negotiations start in 10 minutes. Start planning now.

The buyer has test driven the sellers' vehicle. It has 30,000 miles on the clock and is in excellent condition.

Bought new today, it would cost £50,000.

Used vehicles sell quite fast, if the price is right. Prices on 3 year old vehicles vary, depending on mileage and condition, between £20,000 and £37,000.

The general economy is slow and sluggish. This is felt particularly in the haulage industry.

The seller would like to sell up and move back to a small village in the north.

The buyer has said cash is available at the right price.