Intercultural Communication and Negotiation

**Case Study for Practice Report**

**EUROPEAN NEGOTIATIONS SOUTHERN CANDLE’S TOUR DE FRANCE**

Ronald Picard is the president of Southern Candles, Inc., located in Baltimore, Maryland. The company specializes in high-quality slow-burning scented and unscented candle products. The company also holds a patent on a special design process for making three-dimensional sculptured candles. The company’s products are sold in retail stores, specialty shops, and franchised operations throughout the United States. In recent years, competition from other candle companies has intensified to the point that Southern Candles needs to seek out new markets. Past attendance at international trade shows has revealed a large candle market in Europe, especially in Western Europe. Mr Picard is confident that the business experience gained in the U.S. market will carry over to the European market.

At this year’s international trade show in Munich, Germany, Mr Picard met Pierre Durand, a French retailer who owns a chain of specialty shops in France, Germany, and Belgium called Les Belles Choses. The specialty shops cater to an upper-class clientele. Its product line includes perfumes, beauty care products, clothing apparel, custom-made jewellery, and handcrafted home furnishings. Mr Durand expressed an interest in selling Southern Candles products and wanted to hear more about the design process for making three-dimensional sculptured candles. Mr Durand invited Mr Picard to visit his company in Paris the following month to discuss a possible business arrangement. Mr Picard cordially accepted the invitation.

Mr Picard was very excited about the prospect of doing business in Europe. Southern Candles complemented the product line of Les Belles Choses. The opportunity also offered a way to gain product recognition, which could eventually lead to the company opening its own stores in Europe.

Mr Picard pulled his staff together to strategize how to market its product line to Mr Durand. Mr Picard decided to take Marge Dubois, his marketing manager, and one technical staff member to discuss the design process for making the three-dimensional sculptured candles. After long hours of hard work, the team developed a comprehensive business proposal and was ready to make the trip to Paris. Mr Picard was pleased to have Mrs Dubois along because she had spent five years in Quebec, Canada, and spoke fluent French.

Mr Picard and his team arrived in Paris at 9am and were met by Mr Durand. Everyone exchanged handshakes and Mrs Dubois extended a warm greeting in French. Mr Durand acknowledged it with a smile. While travelling to the company, there was some light conversation with Mrs Dubois occasionally speaking in French. Mr Durand complimented her on her French and asked where she had learned to speak the language. Mrs Dubois told him about the time she had spent in Canada. Again, Mr Durand smiled.

At the company, Mr Durand introduced Mr Picard and his team to members of his staff. Business cards were exchanged. Mr Picard examined the cards and was impressed to see that the cards were in English on one side and French on the other side. Mr Durand escorted Mr Picard and his team tothe conference room. Twenty minutes into the meeting, Mrs Dubois began feeling a little uncomfortable because she noticed several members of Mr Durand’s team repeatedly staring at her and smiling. She became somewhat intimated by this behaviour. She decided to say something to Mr Picard when they went to lunch. The group broke for lunch at 1pm, and much to Mr Picard’s surprise, it lasted over two hours. When they returned to the conference room, Mr Picard, a little uncomfortable from a heavy lunch, decided to take off his coat, but no one else did.

The afternoon session went very well even though it got somewhat argumentative at times. Mr Picard’s presentation was well received, and it appeared that Mr Durand would buy Southern Candles products. Pleased with himself, Mr Picard gave a quick “okay” sign to his team members. Mr Durand thanked Mr Picard for his presentation and told Mr Picard he would review the proposal with his staff. Following that review, he would let Mr Picard know of his decision.

After the meeting, Mr Durand invited Mr Picard and his team to a small dinner party at his home at 8pm. Mr. Picard was picked up at his hotel at 7:30pm and arrived at Mr Durand’s home at precisely 8pm. Several executives from Mr Durand’s company were already there.

Mr Picard was introduced to Mrs Durand. He graciously accepted her hand and gave her a beautiful bouquet of roses. Mrs Dubois was also introduced to Mrs Durand. Mrs Dubois greeted her in French. Mr Picard was then introduced to the other invited guests. The dinner was superb, leisurely served over several hours with light conversation. Several times Mr Picard mentioned the business meeting earlier in the day, but conversation always drifted back to social amenities. It was a lovely evening to what appeared to be a successful business day.

Mr Picard arrived back at his hotel around midnight, totally exhausted from a very long day. He was glad that he had scheduled a late morning flight back to the United States.

Much to Mr Picard’s surprise, he received a cordial letter from Mr Durand two weeks later stating that Mr Durand had decided not to expand the Les Belles Choses’ product line at this time.