

Negotiation Exercise - Please Return Once Complete

Role of "Dr. Jones"

You are Dr. Kelly Jones, a research scientist employed by a pharmaceutical firm. You have recently developed a synthetic chemical useful for curing and preventing Rudosen. Rudosen is a disease contracted by pregnant women. If not caught in the first four weeks of pregnancy, the disease causes serious brain, eye, and ear damage to the unborn child. Recently there has been an outbreak of Rudosen in your state and several thousand women have contracted the disease. You have found, with volunteer patients, that your recently developed synthetic serum cures Rudosen in its early stages. Unfortunately, the serum is made from the pulp of the durian, which is a very rare and very perishable fruit. Only a small quantity (approximately 4,000) of durians were harvested last season. No additional durians will be available until next year's crop, which will be too late to cure the present Rudosen victims.

You've demonstrated that your synthetic serum is in no way harmful to pregnant women. Consequently, there are no side effects. The Food and Drug Administration has approved of the production and distribution of the serum as a cure for Rudosen. Unfortunately, the present outbreak was unexpected and your firm had not planned on having the compound serum available for six months. Your firm holds the patent on the synthetic serum and it is expected to be a highly profitable product when it is generally available to the public.

You have recently been informed, on good evidence, that Wan Hassan bin Ibrahim, a Malaysian fruit exporter, is in possession of 3,000 durians in good condition. If you could open the tough, thorny exteriors to obtain the pulp from all 3,000 you would be able to both cure present victims and provide sufficient inoculations for the remaining pregnant women in the state. No other state currently has a Rudosen threat.

You have recently been informed that Dr. Pat Roland is also urgently seeking durian and is also aware of Wan Hassan's possession of the 3,000 available durians. Dr. Roland is employed by a competing pharmaceutical firm. Dr. Roland has been working on biological warfare research for the past several years. There is a great deal of industrial espionage in the pharmaceutical industry. Over the past several years, Dr. Roland's firm and yours have sued each other for infringement of patent rights and espionage law violations several times.

You've been authorized by your firm to approach Wan Hassan to purchase the 3,000 durians. You have been told he will sell them to the highest bidder. Your firm has authorized you to bid as high as \$250,000 to obtain the pulp of the 3,000 available durians.



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Durian Purchase Problem

Instructions:

- 1. You have 10 minutes, or until time is called, to arrive at an agreement with your opponent.
- 2. It is important that each group work alone. Do not discuss the facts, your negotiating strategy or your outcomes with anyone before the results are discussed in class.
- 3. Record the outcome of the negotiation on the form below and turn it in as you complete the negotiation.

TERMS OF THE AGREEMENT: Terms of your agreement:

1. Name of person playing "Dr. Jones":

2. Name of person playing "Dr. Roland":