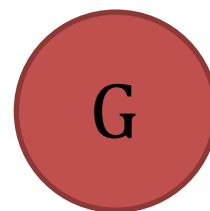


# KIEGÉSZÍTŐ ANYAGOK A SZÓBELI TÉMÁKHOZ ÉS FELADATOKHOZ

ANGOL KÖZÉPFOK (B2)

GAZDÁLKODÁSI  
MENEDZSMENT



Ez a kiadvány ingyenes, és szabadon  
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Zöld Út Nyelvvizsgaközpont  
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# COMMUNICATION IN THE COMPANY


## GREETINGS

- more formal
- 
- less formal
- Hello, Mr. Crown. It's so nice to see you again. How have you been?
  - Mrs. Burke, what a pleasant surprise! How are you? It's been quite a while we saw each other.
  - Good morning, Mr. Stanley. How are you today?
  - I'm very well, thank you. And you?
  - I'm fine, thank you.
  - Good afternoon, Miss Crane. It's good to see you.
  - Thank you. It's nice seeing you, too. How are things going?
  - Just fine, thanks.
  - Hello, Mary. How are you doing?
  - Pretty well, thanks. How's everything with you?
  - Not too bad, busy as ever.
  - Hi, Ellen! How's it going?
  - Great! What's new with you?
  - Oh, not too much. You know, the same old thing.


## EXPRESSING APPRECIATION

- more formal
- 
- less formal
- We'd like to express our thanks for your hospitality during our stay, Mr. Walters.
  - It was my pleasure. I wish I could have done more.
  - It's very kind of you to see me. I really appreciate it.
  - That's quite all right, Mrs. Coleman.
  - Karen, I'm very grateful for all your help with the report. I can't thank you enough.
  - It was nothing, Mr. Crown. Don't mention it. I was happy to be of help.
  - Thank you again for dinner, Jim. It was a lovely evening.
  - I'm glad you had a nice time, Jane. I enjoyed it too.
  - Thanks for sending the copy of the production report, Ed.
  - You're welcome, Stan. Anytime.

## WORRY, CONCERN, AND REASSURANCE

- more formal
- 
- I'm very concerned about the problems at the plant. I'm afraid Smith just isn't up to the job anymore.
  - I think your concern is justified. But things may not be as bad as they seem.
  - What will happen if we don't meet our quota? That's what's bothering me.
  - Don't worry, George. Everything will work out somehow.
  - I'm really upset! I can't find the papers I need to do my weekly report. I've looked everywhere!
  - Calm down, Alice. You know they must be here somewhere.
  - You look worried, Tom. What's bothering you?
- less formal
- I'm really nervous about my job interview tomorrow.
  - Just relax. You didn't have a thing to worry about.

## REQUESTS

- more formal
- 
- Karen, would you be good enough to hold my calls for the next twenty minutes or so?
  - Certainly, Mr. Crown. I'd be happy to.
  - Would you mind opening the window a little, please?
  - Not at all... Is that better?
  - Yes, thank you.
  - If you have a minute, Mary, I'd like to go over these figures.
  - I'm afraid I can't, Tom. I have an appointment in ten minutes.
  - It'll only take a second.
  - All right, I suppose so, if we can make it quick.
- less formal
- Jim, I want to ask you to do me a favour. Can you give me a lift home tonight?
  - I wish I could, but I have to stay late to catch up on some paperwork. Sorry.

## AGREEING AND DISAGREEING

„I feel that relocating to another area would be impractical.”

- more formal
- I completely agree with you.
  - Perhaps you're right.
  - I'm afraid I can't agree with you.
  - I'm sorry, but that just doesn't make sense to me.

„I think we should build a new plant rather than buy an existing one.”

- I couldn't agree with you more.
- I tend to agree with you. But I want to have all the facts first.
- I have some reservations about that. It would be a lot more expensive.
- I'm afraid I can't go along with you on that.

„If you ask me, Tom is the only one who can do the job.”

- less formal
- That's just what I was thinking, too.
  - I guess you're probably right. He has the background for it.
  - I don't know if I'd go that far. There are others who could do it, too.
  - You do? I don't really think he could handle it.
  - You can't be serious! He's overworked as it is.

## INTRODUCTIONS

- more formal
- Mr. Lee, I'd like to introduce Peter Crown. He's the president of AP.
  - How do you do, Mr. Crown. It's a pleasure meeting you.
  - I'm pleased to meet you too, Mr. Lee.


- I don't believe we've met. Allow me to introduce myself. I'm David Williams.
- Nice to meet you, Mr. Williams. I'm Stephen Backer.

- Tom, I'd like you to meet Susan Brady. She is in charge of our Boston office. Susan, this is Tom Clark.


- I've heard a lot about you, Miss Brady. It's nice to finally meet you.
- Nice meeting you, too.

- less formal
- Hello. My name is Jim Stanley. I'm the new accountant.
  - Welcome to AP, Jim. I'm Chris Thompson. I've been looking forward to meeting you.

## SUGGESTIONS AND RECOMMENDATIONS

- more formal
- 
- You've looked over the records and met the staff, Mr. Crown. Do you have any suggestions?
  - One thing, I'd recommend strongly is hiring at least one more accountant.
  - Sally, I want to buy a home computer. What kind do you recommend?
  - If I were you, I'd get an LG. I have one, and I love it.
  - You travel a lot, Ben. My wife and I want to go somewhere for a week or so, just to relax. Do you have any ideas?
  - How about a cruise? We really enjoyed the one we took.
  - Where shall we go for lunch, Barbara?
  - Why don't we try the new place on the corner? I hear they have great sandwiches.
- less formal

## INVITATIONS

- more formal
- 
- I was wondering if you'd like to join me for lunch tomorrow, Mr. Edwards?
  - It would be my pleasure. I appreciate the invitation.
  - My wife and I are having a few people for dinner on Saturday. We'd like you to join us if you're free.
  - It's very nice of you to invite us. We'd love to come.
  - Would you like to play tennis after work tomorrow, Jim?
  - Thanks for the invitation, Tom, but I'm afraid I've already made plans.
  - Why don't we continue our discussion over lunch, Tim?
  - That's a good idea, Sam. There's a café right next door.
  - Mary! A few of us are going out to a movie tonight. How about joining us?
  - I'd love to, Bill, but I have a class. Maybe next time.
- less formal


## INTERRUPTIONS

- more formal
- (in a meeting)
- May I interrupt you? Mr. Burke is on the line.
  - Thank you. Tell him I'll be right with him.
  - Excuse me, Paul... I have a question.
  - Yes, Charles?
  - Could you tell us how much these changes will affect the advertising budget?
  - Certainly. I'll go into that in just a minute.
- (in a meeting)
- Sorry to interrupt, Jane... may I make a comment?
  - If you could be with me for just a minute, Ed, I'd appreciate it.
- less formal
- (at the door)
- Excuse me, Peter... am I interrupting you?
  - Not at all, Ed. Come in. What's on your mind?


## REQUESTING INFORMATION

- more formal
- Dr Simson, could you possibly tell us how much has been spent on research for this project?
  - I don't have the exact figures, but I believe it's around 50 million dollars.
  - This is a little off the subject, but do you happen to know where the sales meeting is going to be held next year?
  - It's been in Boston the last two years, but as far as I know, a location hasn't been chosen yet for next year.
  - What I'm interested in is when you plan to put the product on the market, Jim.
  - Let's take a look at the timeline, Mary. That should answer your question.
- less formal
- This device looks interesting, Tim. How does it work?
  - Here, I'll show you, Robert. There's really nothing to it.

## PLACING AND RECEIVING CALLS

- more formal
- 
- less formal
- Good morning. Apex Company. May I help you?
  - Hello. May I speak to Mrs. Bennett, please?
  - May I ask who's calling, please?
  - This is Kenneth Farrell.
  - One moment, please, Mr. Farrell. I'll put you through.
  
  - Hello. Eben Electronics.
  - Yes. Can I speak to Mr. Eben?
  - May I have your name, please?
  - It's Mary Kelly. He's expecting my call.
  - Oh, yes. Miss Kelly. Just a minute, please.
  
  - Derby Food Store. This is Terry.
  - Hi. I'm trying to reach Tim Lane. Is he available?
  - Yes, he's here. Hold on a minute and I'll get him.
  
  - Hello?
  - Hi. Is Barbara there?
  - Sure. Hang on a second. I'll get her for you.

## ON THE PHONE: MESSAGES

- more formal
- 
- less formal
- Good morning. This is Mr. Williams at Shop-Way. I'd like to speak with Mr. Carlson, please.
  - I'm sorry. I'm afraid Mr. Carlson is in a meeting at the moment. May I take a message, Mr. Williams?
  - Yes, please. Would you tell him to call me back?
  - All right. I'll see that he gets the message as soon as he's free.
  
  - Hello. Is Mr. Hawkins in? This is Mr. Richards.
  - No, I'm sorry, he's out of town until Thursday. Is there something I can help you with?
  - No, that's all right. I'll call back at the end of the week.
  
  - Can I speak to Tom Carlson, please?
  - Sorry, he's out to lunch. Do you want to leave a message?
  - This is Nancy Hart. Would you ask him to call me? The number is area code 703-394-2325.
  - O.K. I'll give him the message when he comes in.
  
  - Hi, this is Christine. Is Carol there?
  - No, she's not. Can I take a message?
  - Just tell her I called. I'll try her again later.



## DIALOGUES

**You are a journalist working for a well-known business journal, The Economist, and you are interviewing a Hungarian economist.**

- Introduce yourself and tell what you want and why
- Ask about the recent changes in Hungarian economy
- Ask about the future hopes for Hungarian economy
- Say thanks for the interview and suggest a longer discussion

**You are a foreign student taking part in an exchange program in Hungary. You are talking to a Hungarian student.**

- Introduce yourself and your country
- Say what you study and
- why you chose Hungary
- Ask about his/her future ideas

**You are a Hungarian student talking to a foreign student.**

- Introduce yourself and
- Ask a few questions about the reasons why he/she is here and
- about his/her experiences in Hungary.
- Invite him/her to a meeting where he/she could meet some other students.

**You want to be the assistant to the manager of a large farm in the U. S. A./Great Britain. You are doing a job interview with your future manager. Give information about:**

- your qualifications and knowledge of foreign languages.
- your professional interests
- why you want to get the job
- what you know about special problems of American/British economy

**You are the manager of a large American farm and are looking for a new assistant. You want him/her to prove**

- his/her good command of English
- his/her qualifications
- that (s)he knows about the advantages and disadvantages of working for an American company
- that (s)he is ready to face challenges

**At the students' club you are supposed to describe one of the English-speaking countries. Talk about the country's**

- geographical conditions
- culture
- major tourist spots
- characteristic products

**You meet an old friend from England, and you talk about how Hungary is coping with the shortage of jobs and financial problems. Tell your friend about the**

- situation (eg.: needs of specialists in industry)

- migration of job-seekers
- export products ( agriculture, electronic goods etc.)
- standard of living

**You are a student, who are listening to a short description of an English-speaking country. Ask some questions. You want to know**

- how the geographical conditions differ from those in Hungary
- in which country it is easier to be successful in agro business/business
- which country is more attractive to tourists
- what are the country's special products

**You want to start a new catering (restaurant, inn, hostel etc.) business. You need credit, and you are talking to the bank manager who is not very keen on lending money to you. Convince him about**

- real demand for your service
- high profitability of catering
- your suitable qualifications
- your special knowledge

**You are a bank manager who doesn't regard you to be experienced enough to start a new business. Convince her/him/her about**

- your thorough market research
- the new business will be profitable
- the fact that you are aware of the risks of starting and
- running a new enterprise

**You are talking to the person responsible for distributing financial support at the Rural Development of the town. You need more support. Convince him/her that**

- the support given so far has been too little
- you have ideas about how to spend the support
- you will be able to create new jobs
- you will be able to attract investors

**You are running a small shop selling food and groceries, and you are applying for urgent financial aid. Try to analyse the most important factors that led to the present problem. Do not forget about**

- the high price of human labour
- markets
- demands
- taxes

**The (food processing/agricultural) company you work for is launching a new product. You are discussing the possible ways and channels of marketing and advertising of the product with your colleague (the examiner). Make suggestions concerning**

- possible packaging and labelling
- potential target customers of the product
- ways and methods of advertising the product
- possible advertising channels.

**A foreign firm is opening business in your country and you were employed by the firm as a PR-assistant. Your task is to introduce the company opening up in Hungary for the first time to the press. Draft a press release by talking about**

- the ownership and the history of the company
- the profile and the products of the company
- what markets the company is producing for
- why or/and how the company hopes to be successful on the Hungarian market.

**You work for a British-Hungarian food processing company. You are receiving foreign visitors (the examiners) to the company who could be potential clients in the future. Introduce the profile of your company. Talk about**

- the size of the company
- the products
- your clients and trading relations
- your plans for development

**You are responsible for granting governmental aids to small businesses. Make sure that the business person in front of you**

- has made a comprehensive business plan
- knows tax regulations
- knows how to expand markets
- has ideas how to hire cheap labour

**You work for a British-Hungarian food processing company. You have had some problems with machinery recently. You meet the representative of the machinery supplier firm (the examiner) and discuss**

- what the problems with the machines were
- how you have tried to deal with the problems so far
- what losses the breakdown has caused your firm
- what you expect the supplier to do to solve the problems.

**You have applied for a scholarship to study in the UK for one semester. You have been invited for an interview. You are talking to the interviewer (the examiner) and tell him/her**

- where you study and what
- what your specific professional interests are
- what kind of professional activities you are presently involved in
- how you think you will benefit from studying abroad

**You have sent your CV to a head-hunting firm and you have been asked for an interview with the representative of the firm (the examiner). Tell him/her about**

- your qualifications and professional experience
- your other useful skills
- what kind of jobs and positions you would like
- what kind of a salary you expect

**You work for a British-Hungarian company. You won a scholarship for a 6-week study-trip abroad and you are trying to convince your boss (the examiner), to let you go. Tell him/her**

- what kind of a scholarship it is
- what you are going to do during the 6 weeks
- how you will benefit from the trip for at work
- how you plan to make up for the time you are absent from work

### **Other situations for practicing in Hungarian**

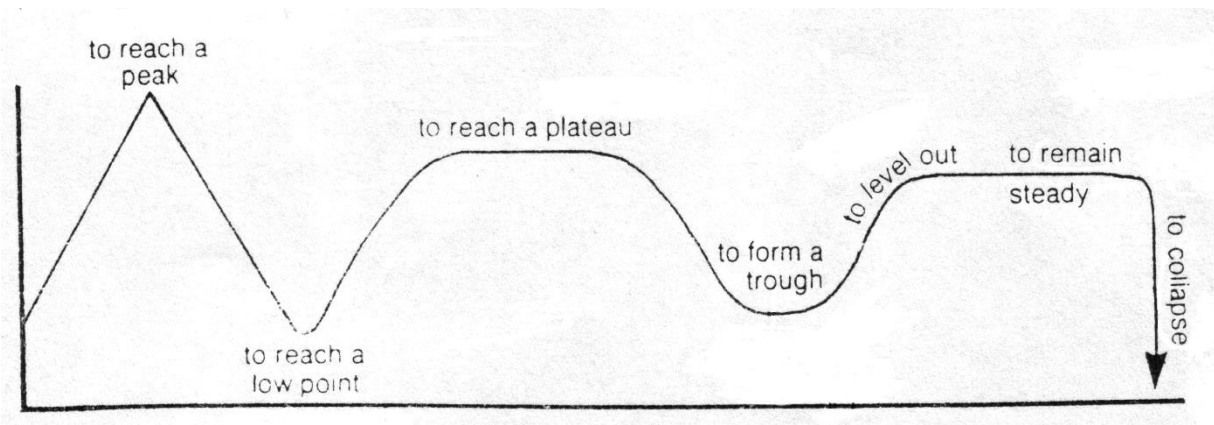
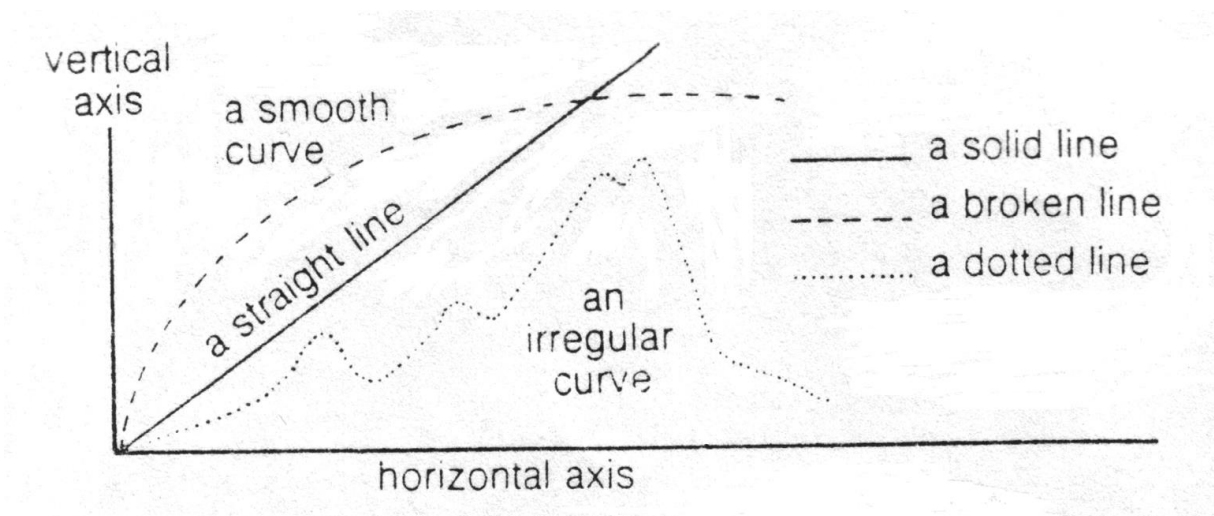
1. Közölje főnökével, hogy arra az elhatározásra jutott, hogy munkahelyet változtat (mondjon néhány érvet a változtatás mellett). Mondjon néhány szót a cégnél töltött kellemes élményeiről (sok újat tanult, jó kollégák, stb.)! Végül kérje meg, hogy írjon egy referenciát az Ön számára!
2. Főnöke külföldi útjáról tér vissza és nagyon elégedetlen volt a szállással (nem volt jó a fűtés, nem volt meleg víz, stb.) Hívja fel a szállodát és értesítse őket, hogy a felsorolt okok miatt cégük kártérítést kér.
3. Egy konferenciára utazik. Hívja fel a szervezőket és kérdezze meg, hogy a repülőtérrel biztosítanak-e ingyenes beszállítást (transzfer) a szállodába vagy várja-e őt valaki! Tájékozódjon arról is, hogy történt-e valamilyen változás az utolsó pillanatban a konferencia programjában!
4. Vendéglátás az irodában: főnökéhez vendégek jönnek. Érdeklődjön, hogy mikor kerül sor a „business lunch” szervírozására és érdeklődjön a különleges kívánságokról (egészségügyi, vallási okokról / étkezési szokásokról)!
5. Feladata egy üzleti program készítése külföldi vendégek számára. Beszélje meg külföldi főnökével, hogy milyen programokat, látogatásokat szervezzen a vendég számára cégüknél (gyárlátogatás, tárgyalások, előadások, étkeztetés)!
6. Külföldön vásároltak egy új berendezést, amelyet a külföldi partner munkatársai fognak üzembe helyezni. Értesítse telefonon a partnert, hogy a berendezés megérkezett, kérdezze meg, hogy mikor érkeznek pontosan az üzembe helyezést végző munkatársaik (repülőjárat, időpont), mivel értük menne a repülőtérre.
7. Feladata egy konferencia tárgyi feltételeinek biztosítása. Hívjon fel egy szállodát, és érdeklődjön a konferenciatermük felől! Kérdezze meg, hogy hány fős, szabad-e az Ön által kért időpontban, milyen a felszereltsége, mennyibe kerül!
8. Magyar újságban csábító hirdetési ajánlatot talál külföldre titkár(nő)j munkára. Érdeklődjön telefonon a munka felől, a kezdési időpontról, a munkaidőről, a fizetésről!
9. Részt szeretne venni egy szakmai továbbképzésben. Beszéljen főnökével a továbbképzési lehetőségekről, ennek hasznáról a cég számára, és az esetleges vállalati támogatásról, illetve támogatás esetén a feltételekről.
10. Az év elején főnöke által jóváhagyott szabadságolási terv szerint Ön elutazna barátaival júliusban 10 napra tengerpartra. Főnöke – a sok munka miatt – nem szeretné elengedni. Beszéljen főnökével, keressenek megoldást (hazavisz munkát, próbál előre dolgozni, helyettesítés mennyiben lenne megoldható)

# DESCRIBING TRENDS I.

## GRAPHS

A graph is useful for showing movements. It has good visual impact and can show how one thing varies relative to changes in another.

### Special terms



## DESCRIBING TRENDS II.

### Tasks Concerning Economy

1. What trends have occurred in recent years in your country's economy?
2. What has happened to:
  - the rate of inflation?
  - interest rates?
  - the GNP (Gross National Product)
  - the rate of unemployment?
3. Use the verbs in the box below to describe the changes.  
*eg. The rate of inflation was increasing until 1987 when it evened out. It dropped to 5% last year.*

Do these verbs indicate an upward (↑) downward (↓) or horizontal (→) movement?

to fall	to decrease	to slip back
to climb	to drop	to go down
to rise	to improve	to remain stable
to even out	to deteriorate	to increase
to decline	to pick up	to reach a peak
to go up	to hit a low	
to bottom out	to recover	

- Which verbs can be made into nouns?  
*eg. to fall ... a fall*  
*to improve ... an improvement*
4. Write the appropriate adverbs for the adjectives below. The first ones have been done for you.

An adjective describes a noun (a thing).

An adverb describes a verb (an action).

Speed or rate of change		Size of change	
rapid	rapidly	noticeable	noticeably
slow		substantial	
sudden		considerable	
sharp		slight	
steady		significant	
gradual		dramatic	
fast		negligible	

- Decide whether these words indicate a fast, medium or slow change.

- Decide whether these words indicate a small, medium or large change.

**Tasks concerning Company Performance**

1. Describe changes that have taken place in recent years in your company.

Consider:

- turnover
- profits
- number of employees
- range of products
- raw materials prices
- prices of products
- volume of production
- staff working hours
- anything else?

2. Describe the rate of change.

*eg.* Turnover has increased rapidly.  
There has been a rapid increase in turnover.

3. Describe the size of change.

*eg.* Turnover has increased noticeably.  
There has been a noticeable increase in turnover.

There was a rapid increase in sales. Sales rose rapidly.  
adjective adverb

4. Look at the headlines and decide what stories you think they are about. Is it good news or bad news?

UK RECOVERY 'GAINING IN PACE'	Boom time at Rolls Royce	Securitight tops profit forecast at £952,000
Shares drop sharply in slow trading	Dorrington share flotation flops	Cocoa prices slump
Record low for United Plastics	Rowan to cut jobs as losses mount	Restrained upturn for German chemicals
LAWSON'S BUDGET ATTACKED	Abaco reduces costs but losses persist	STEEL OUTPUT WELL AHEAD OF TARGET

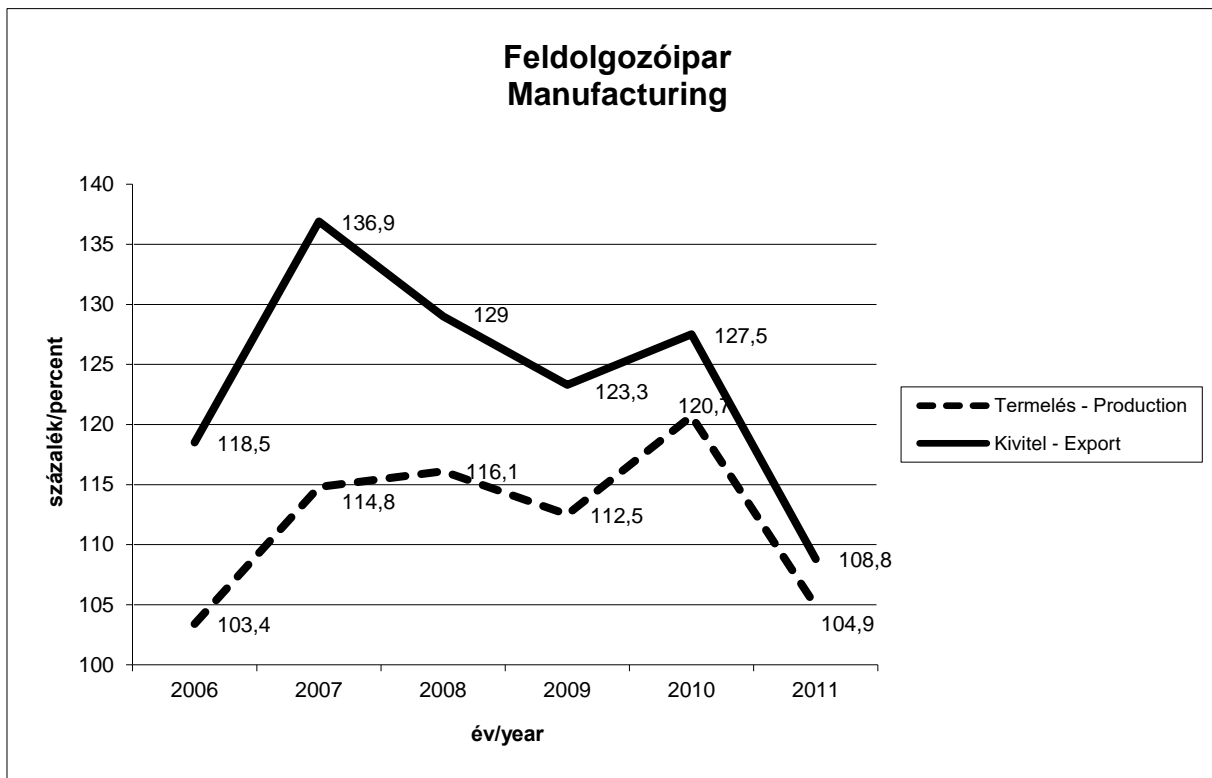
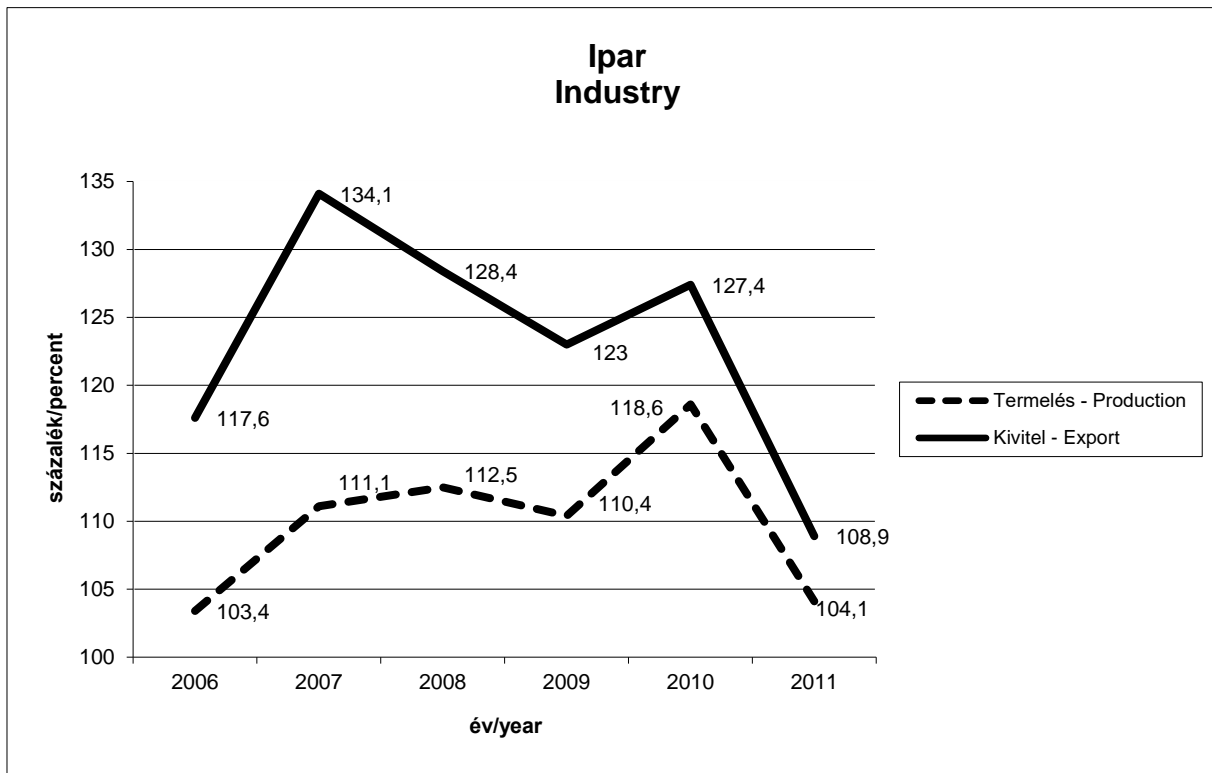
Useful sentences:

There was a steady decrease / moderate fall/ gradual decline in profit.  
In the 7th year there was a decrease of 400 MW to 11,000 MW.

If there has been little/no movement, or we focus on a particular point, we can say the following:

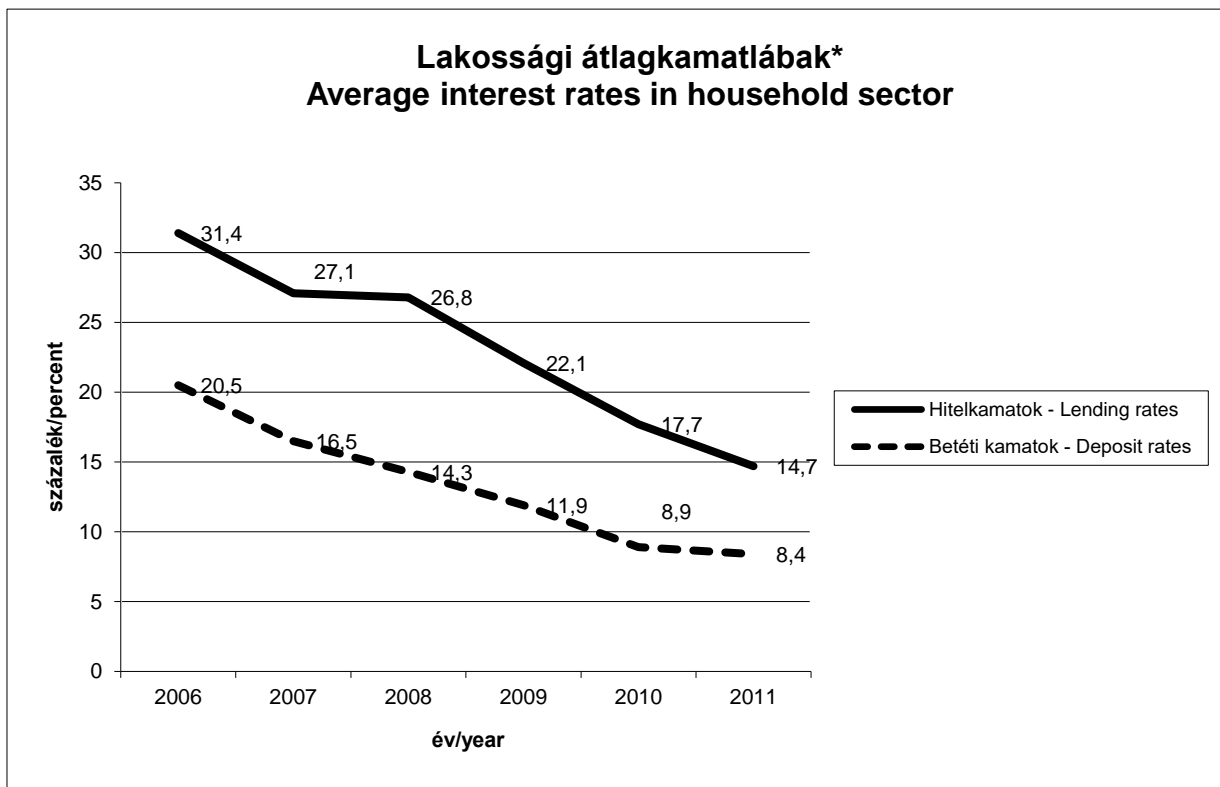
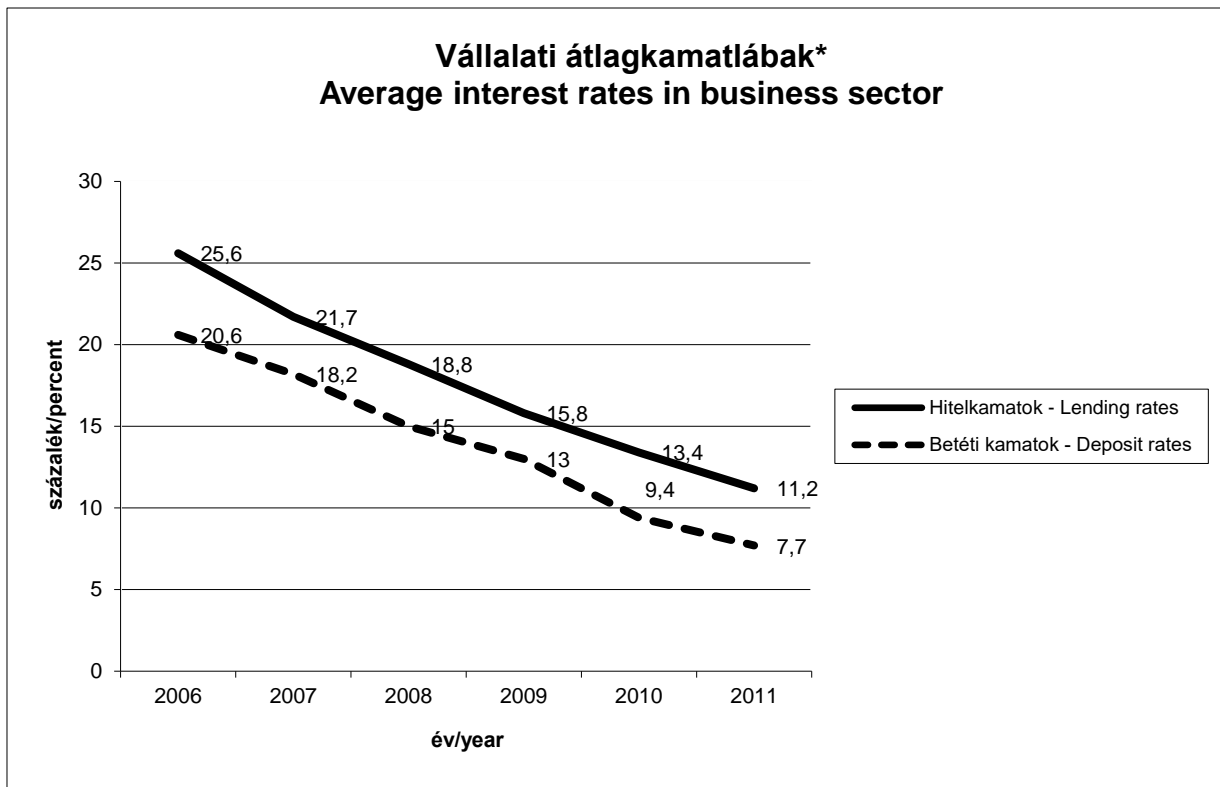
The market has been stagnant/ remained steady.  
Sales levelled off.  
Electricity capacity remained constant at/ stood at 10,000 MW.

## GRAPHS

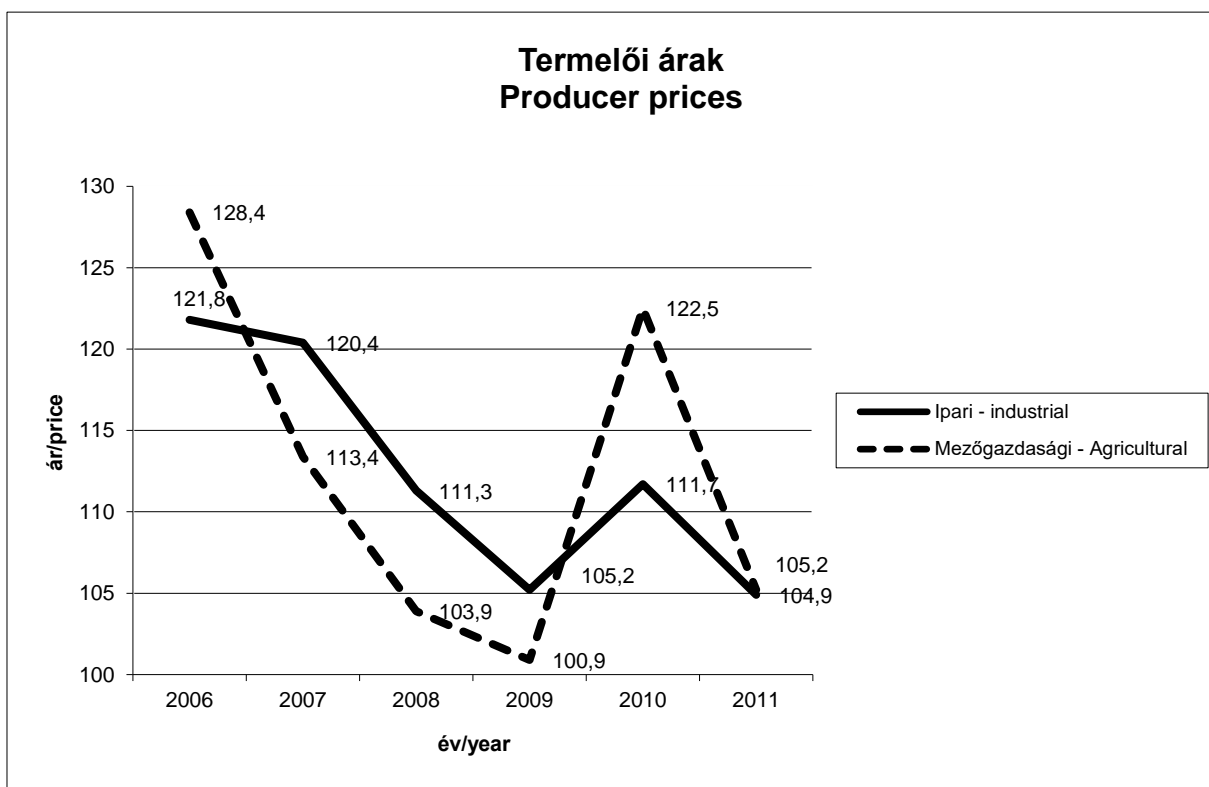
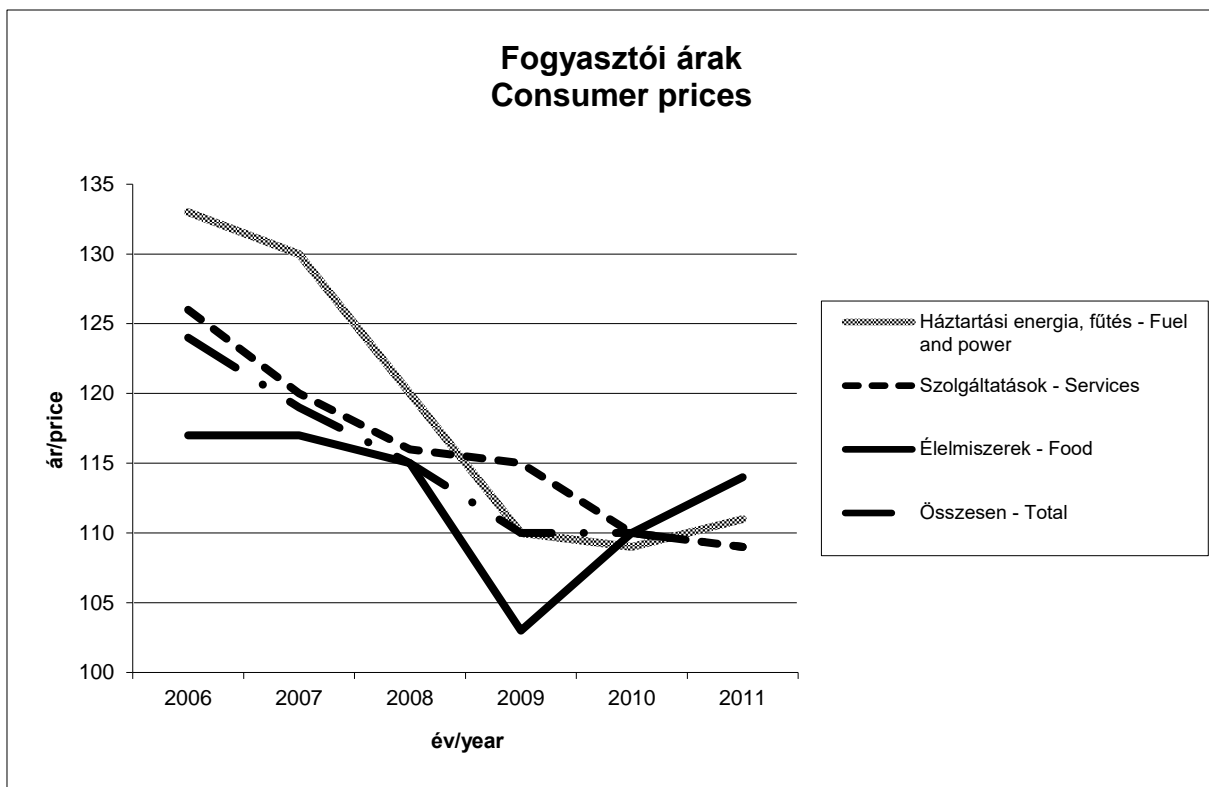


Previous year = 100,0



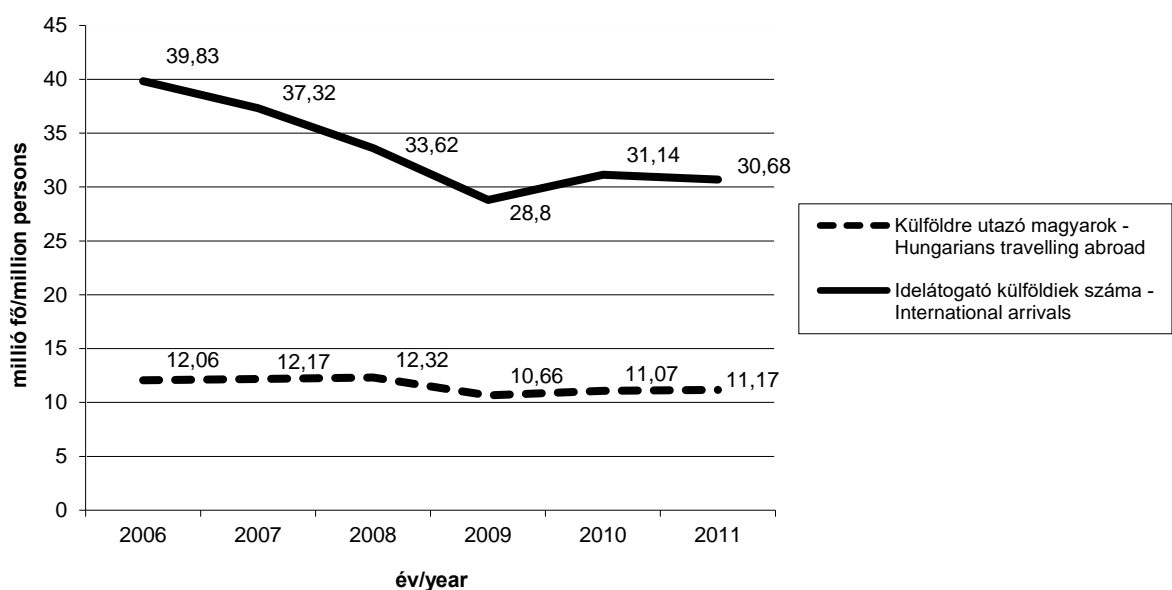


\* Maturing over a year, in December

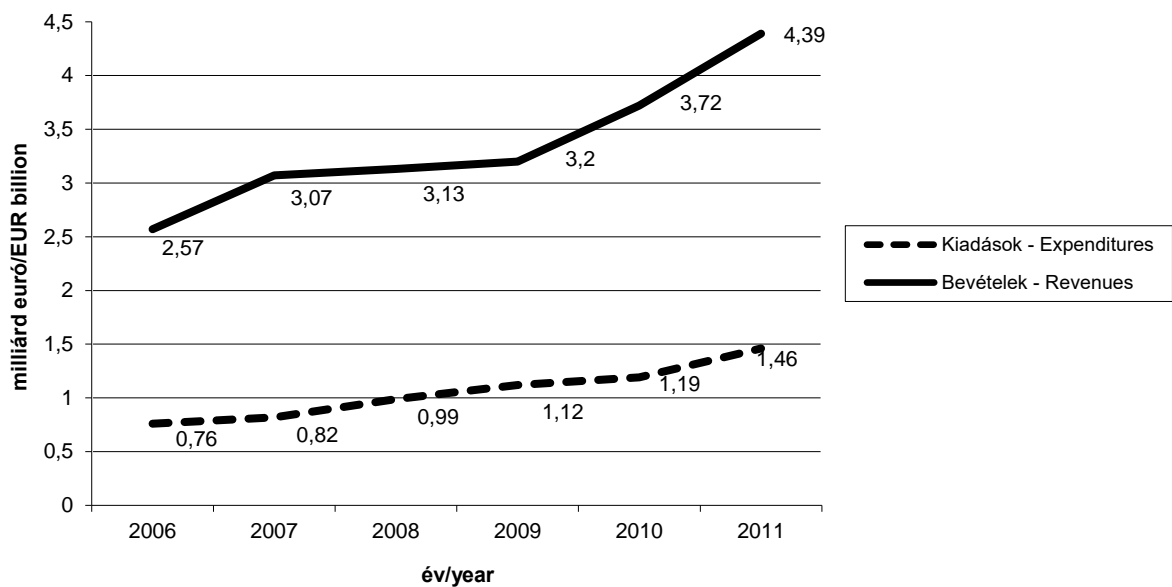


Previous year = 100,0

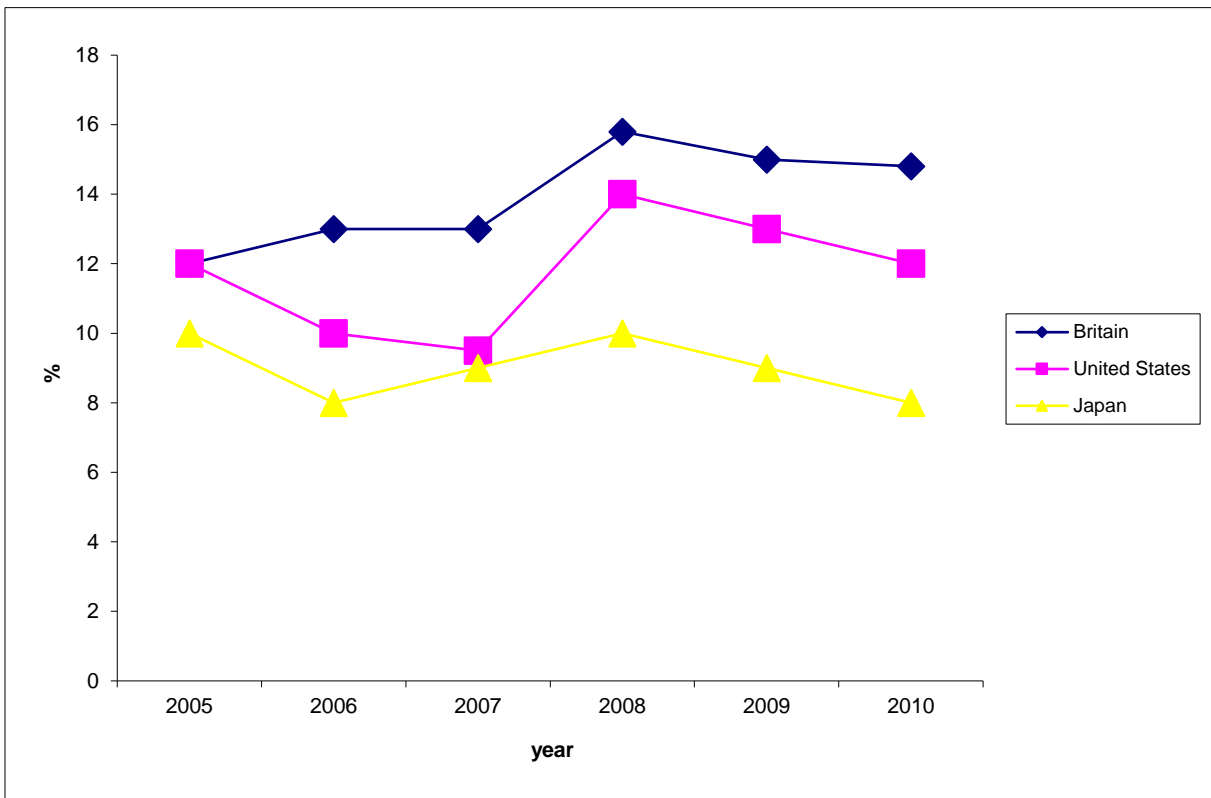
### Nemzetközi idegenforgalom International tourism



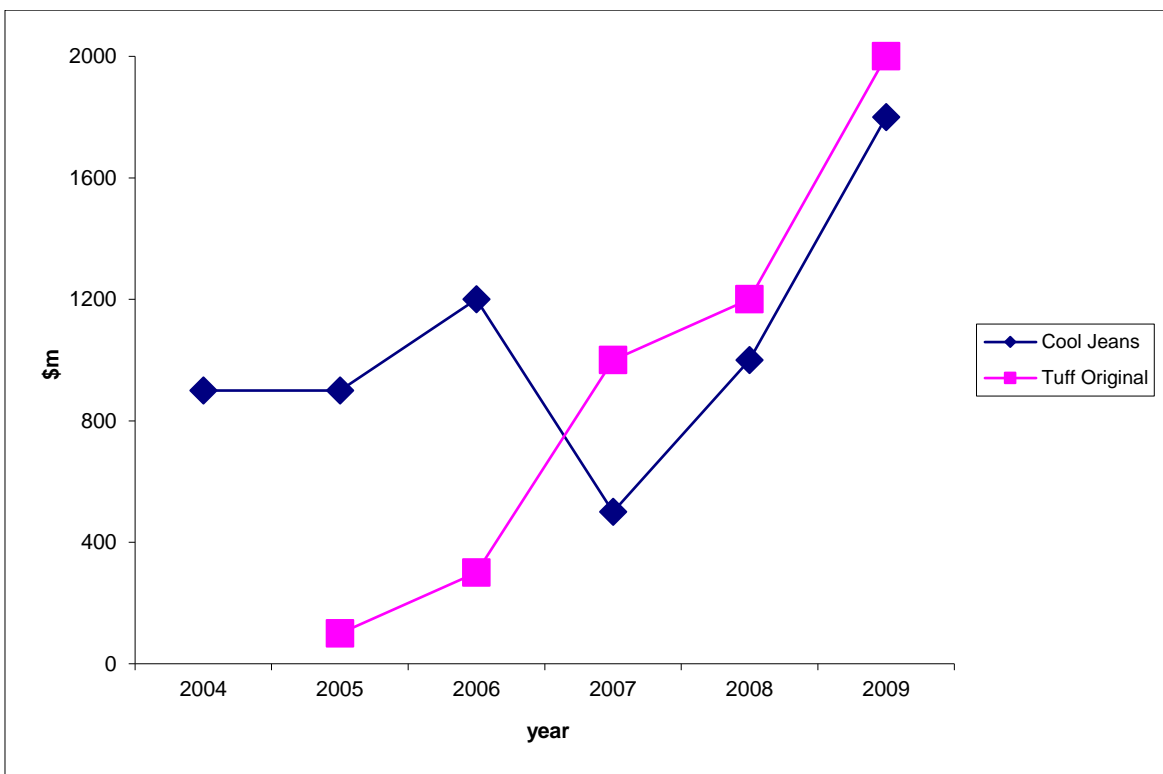
### Idegenforgalmi mutatók Tourism indicators



### Return on shareholders' equity



### Sales



## ECONOMIC TERMS & QUESTIONS

**What do you think of...?**

**What is your point of view concerning....?**

**How do you rate the question of ....? etc.**

### Company Management, Company Organisation, Marketing, Finance

- ...how would you start a business,
- ...what kind of business would you establish,
- ...what marketing tools would you use,
- ...why are some promotions and different marketing tools not useful,
- ...what is a good promotion material like (eg.:for introducing a company
- ...would you ask for a bank loan,
- ...what other financial resources would you use,
- ... how would you price your products/ services,
- ...how will you prepare your business plan
- ...would you use e-business,
- ...do you accept on-line purchase,
- ...what is the secret of successful businesses,
- ...what is the role of corporate culture in success,
- ...what are the departments/sections of a company,
- ...are you satisfied with your company's structure,
- ...what is a successful corporate strategy like,
- ...what are the characteristic traits of good managers,
- ...advantages and disadvantages of small and medium businesses,
- ...how can a company win over its competition
- ...what kind of businesses are successful in Hungary

### Environmental economics

- ...why is it important to keep to the environmental codes,
- ...what are the economic consequences of selective waste management,
- ...what are the environment friendly means of transport,
- ...what economic effects does the use of fossil fuels have,
- ...what are the incentives for using renewable energy sources (for the companies),
- ...what relationship can be seen between world food prices and using renewable energies,
- ...what relations can be seen between bio-fuels and food shortage in some part of world,
- ...what economic and environmental problems does fast world population increase cause,
- ...what is the situation of Hungarian waste management like,
- ...how much does your company consider the environmental codes,
- ... how does this company protect the natural or local energy sources.

## Economy of rural development and village tourism

- ...what are the advantages of rural development,
- ...what are the economic benefits of village tourism,
- ...what can be done for developing village tourism,
- ...what kind of differences exist between the regions,
- ... how can be the regions lagging behind developed,
- ...what programmes would you organise concerning village tourism in your region,
- ...how important is women employment in rural/village tourism,
- ...what are the roles of thermal spas in rural/village tourism
- ...how much does Hungary utilise the potential in thermal spas,

## Economic life/ development in the world and in Hungary

- ...what are the important factors of economic development,
- ...what are the effects of: 1.currency changes, 2.interest changes, 3.unemployment, 4.petrol/fuel prices, 5.multinational companies, 6.living standard, 7.weather conditions on the economy,
- ...how globalisation has influenced the economic life,
- ...what are the relations between education and economic development,
- ...what are the relations between technological development and the economy,
- ...what is the influence of emerging Asian countries (+China) on world economy,
- ...what is Hungary's role in global economy,
- ...what are the most important sectors of the Hungarian economy,
- ...what is Hungary's import-export situation like,
- ...which economic sectors (in Hungary) have got labour shortage,
- ...how developed is the Hungarian infrastructure (roads, telecommunication)
- ...how does the decreasing number of population influence the Hungarian economy,
- ...what jobs do you consider for useful future jobs in Hungary,
- ...in what sectors would you invest in your local area,
- ...what countries/ regions are Hungary's main competitors,
- ...what sectors can Hungary compete with in the world market,

Note: Although, talking about the questions requires subject knowledge you should consider only your personal views and knowledge.

## ISSUES RELATED to the ENVIRONMENT

**I. Read** the following **buzzwords** connected with environmental issues.

Task 1. In what way they are connected to the environment and to each other?

greenhouse effect	park and ride	droughts	acid rain
irrigation	recycling	soil erosion	felling trees
emission of fumes	pollution	extinction of animals	desertification
chemicals	car share scheme	selective rubbish collection	habitat
rapid population growth		hole in the ozone layer	lead free petrol
fitting filters	catalytic converter	public transport	deforestation
alternative sources of energy		nuclear power	

Task 2. **Do you agree with the following statements?**

Food aid is the most important way to help developing countries.

The present levels of pollution are not really dangerous.

Consumption should be reduced in the developed world.

Only those nations are worth helping that can help themselves.

Nuclear power is safe, clean and economical.

Mankind is unable to reverse such large scale changes as desertification or the destruction of the ozone layer.

Not only governments, but also individuals can make a difference in protecting and conserving the environment.

All species are interconnected in a delicate „web of life” easily broken by man.

**II. Read** an article about initiatives to help the starving.

Task 1. Collect as many ideas as you can from the text about means of help.

### **At a click of your mouse, you can ease hunger around the world**

#### **Help feed the starving**

Approximately 24,000 people die Each day from hunger... 74 per cent are children. This bleak message greets you at the Hunger Site together with a world map on which one of the poorest nations in the world flashes every few seconds to indicate another death.

In terms of design and content, it is much like any other charity website but there is one big difference: you do not have to hand over a penny to help you simply click on the 'donate free food' button. You are then connected to a page of advertising logos and the site's sponsors donate a cup of staple food to humanitarian agencies fighting hunger around the globe.

Founded in June 1999, the Hunger Site was the first click-to-donate site on the Web. And, although the idea of using purely commercial values to help the world's poor is ironically disquieting, you can't argue with the results – to date more than 101 million surfers have given more than 198 million cups of food.

In the wake of this success, GreaterGood.com, the company behind the site, has launched similar non-profit-making ventures to raise funds for other worthy causes, including children suffering from Aids, breast cancer research, landmine victims and rainforests.

'People are busy but they do care about the world they live in,' says GreaterGood. 'We simply make it easy and convenient for them to regularly make a tangible difference.'

Several similar sites have been set up by charities, using the same mechanism to raise cash. Feed Your World is another site combating world hunger, letting you donate to the country of your choice via the World Food Programme, but it takes the charity-commerce marriage a stage further. On top of the click-button donation system, some banner advertisers pay on an automated page impression basis while others pay on a surfer click-through basis. Advertisers pay just over one third of a penny- the cost of a cup of food- for each impression recorded, while a click-through generates about 14p for the charity.

Co-founder Jay Khagram said: 'The Internet provides a unique opportunity for charities and corporations to tackle these problems. All it takes is a few seconds of your time to make an impact on the life of others in need.'

These sites will become more valuable when each has dozens of sponsors and every click is worth buckets of food. This will happen only if they continue to rise in popularity, so a daily visit will have long-term benefits. 'Is it worth your time?' the Hunger Site's mission statement asks. 'For a mother watching her child die in front of her from hunger, the food that you donate is worth everything in the world.'

**WHERE TO LOG ON:**

[WWW.THEHUNGERSITE.COM](http://WWW.THEHUNGERSITE.COM)    [WWW.THERAINFORESTSITE.COM](http://WWW.THERAINFORESTSITE.COM)  
[WWW.FEEDYOURWORLD.COM](http://WWW.FEEDYOURWORLD.COM)    [WWW.THEBREASTCANCERSITE.COM](http://WWW.THEBREASTCANCERSITE.COM)

**III.     Read** an article entitled “ Litter kills”.

Task 1. In what ways can litter damage the environment and endanger its inhabitants?

Task 2. Make notes on the following aspect of the article:

- The type of litter left:
- The way it endangers animals:
- The kind of animals who fell victim to litter:
- The amount of litter collected in Sept 1999:
- The worst polluters:

Task 3. Debate the issue of who is responsible for cleaning up litter in the parks and other places attended by the general public.



## **Problems of the balance of the ecosystem**

### **Litter kills**

Tens of thousands of animals are dying every year after swallowing or becoming tangled in litter discarded on Britain's beaches.

Birds, fish and other marine life are victims of the "unacceptably high" levels of rubbish left by visitors to the seaside, says the annual report by the Marine Conservation Society.

Plastic items such as carrier bags were identified as particular menaces because wildlife mistake them for prey.

An autopsy of a dead turtle washed up in Scotland typically suggested that it had died of starvation caused by plastic and metal blocking its digestive tract.

More than 90% of gannet nests on the island of Grassholm in Dyfed were also shown to contain plastic litter.

Over a weekend last September, more than 1,500 volunteers cleaned and surveyed 171 beaches, covering 92.8 km of coastline around the UK and Channel Islands. An average of 1,913 bits of litter weighing 11.6 tonnes, were picked up per kilometre. Items found included 11,000 crisp and sweet packets, more than 9,000 cigarette ends, a wig, a wooden clog, a dustpan and brush, and a phosphorus bomb, which was safely exploded by police.

Since the surveys began in 1993, recorded litter levels have almost doubled, with tourists blamed as the worst offenders.

In 1999, a decrease of 2.2 percent was recorded on the previous year. But Sam Pollard, director of conservation at the Marine Conservation Society, said it was still too high.

She said: "We hope that the small decrease in beach litter recorded in *Beach-watch 99* will be the start of a downward trend, but we as individuals must safeguard the environment and wildlife by taking care with our litter".

"It doesn't take a great deal of effort to clear up after yourself but it takes a huge amount of time and resources for local authorities and other bodies to keep the beaches clean."

"Simply throwing crisp wrappers, cans and other rubbish in the bin will prevent the needless deaths of millions of animals."

For the sixth year in succession tourists were the worst polluters; responsible for more than a third of the beach litter recorded. Other sources of rubbish included waste from ships and fishing boats, lost possessions and sanitary items flushed down the toilet.

The Independent

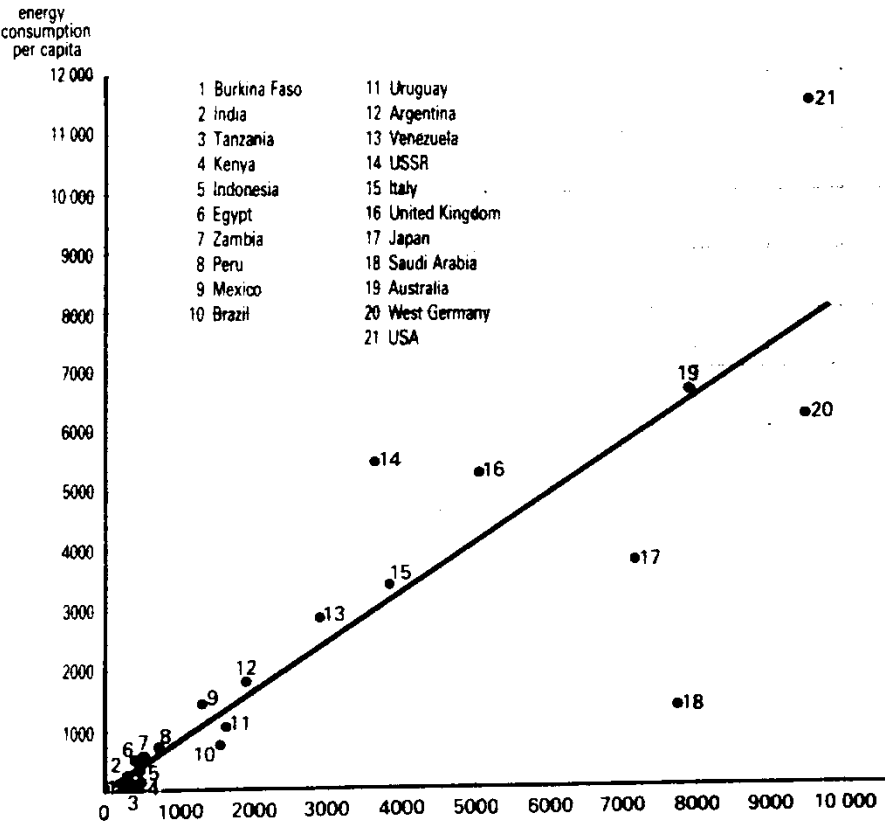
## **Alternative and Renewable Sources of Energy**

This issue you will explore how work on alternative and renewable sources of energy has progressed and some of the social, economic and political problems that still have to be overcome.

The following graph illustrates a link between the wealth of a country and the per capita energy consumption. Energy usage is measured in kilograms of oil/coal equivalent, that is the amount of energy obtained from a kilo of oil, coal, gas, nuclear power etc.

**Task 1. Study the graph.** Compare Russia with Japan and the USA with Saudi Arabia. What simple conclusions can you draw about energy needs in the future?

**Task 2.** Try to identify the **advantages** and **disadvantages** and build up your arguments for or against different sources of energy.



**Task 3.** Below are **extracts** from six passages which describe different **alternative sources** of energy. Match each with a suitable title. Underline the key words that helped you to identify the extract.

**Wind; Tidal; Biogas; Solar; Wave; Geothermal.**

- a. The incoming flow turns turbines, the blades of which can then be reversed to use the receding ebb of the sea.
- b. The Atlantic breakers along the coasts of Great Britain have higher energy levels than any other sea area in the world.
- c. In 1984, the EEC and Japan decided to concentrate their efforts on developing the photovoltaic cell which converts light energy directly into electricity.
- d. In Nicaragua, hot rocks lie relatively near the earth's surface, and water in contact with these rocks soon becomes steam which in turn drives the turbines.

- e. The rotors needed to drive the generators can be an unsightly presence on the landscape, but can be effective on high ground or on the flat plain.
- f. The surplus from sugar cane factories is used to produce alcohol which can be mixed with petrol in one to four ratio in existing car engines or used by itself in specially built cars.

From " The Safe Energy Journal"

**Task 4.** Describe what forms of **energy** are **most used in your country** at present, and which of the forms above would be most and least suitable for development.

### **Problems Concerning Endangered Animal Species**

**1. List** some reasons why animals can become extinct.

Add some examples as well, both from your own country and in the rest of the world.

**2. The following extracts** from an article from the *New Scientist* magazine will raise possible reasons for species to disappear.

#### EXTRACT 1

Thirty years ago, children in Newfoundland could catch fish by dipping a basket into the ocean. Now Canadian research vessels sweep the seas in vain, finding not a single school of cod in what was once the world's richest fishery.

The destruction of the Grand Banks cod is one of the biggest fisheries disasters of all time. And science helped make it happen. The Canadian government banned fishing on the Banks in 1992, when scientists discovered there were nearly no adult cod left. That ban is likely to remain in place for at least a decade. Canada has blamed Spaniards, seals and the weather. But the real damage was done by years of "safe" catches that scientists now realise were just the opposite.

The aftershock of that realisation is still being felt, and not only by the thousands of fishermen and fish plant workers who lost their jobs. How could an advanced nation with an army of scientists allow one of the richest fisheries in the world to be destroyed? And if Canada could do that, what hope is there for the coastal fisheries of Europe, hostage to politics as well as to science?

The Grand Banks fell prey to the usual list of suspects: a government that set fishing limits higher than scientists advised; fishermen who cheated on catch quotas; and the lack of restraint that plagues all "open access" fisheries ("if we don't catch them, other boats will")

## EXTRACT 2

The central problem is that fish live in the sea. You cannot count them or see how many young fish are coming along for future catches. This problem is compounded by the chaotic way fish reproduce. "Recruitment" - jargon for the number of fish that survive to a catchable state in any one year - varies widely and unpredictably from year to year, and there is no way of measuring it directly. So since the 1950s, biologists have instead caught samples of fish, determined their ages and calculated back in time the populations that would be necessary to produce the observed age profile. Such a model tells you, in theory, what recruitment has been, how the size of the stock has changed, and therefore, how much fishing you can allow.

Part of the problem is that the age profiles of the fish populations are not governed by recruitment alone. Scientists calculate recruitment from age data by assuming that natural mortality is constant and independent from age.

## EXTRACT 3

It gets worse. Biologists have wrongly assumed, that no matter how stocks dwindle, there will always be enough adult fish to produce the usual number of young; in other words, that recruitment is unaffected by stock size. This assumption may seem counterintuitive to people accustomed to cats and dogs, or humans, for whom the number of babies depends quite closely on the number of parents. But for natural population of fish, they do not.

As stocks dwindle there comes a point where smaller numbers of adult fish do cause recruitment to fall, perhaps because the total number of eggs laid ceases to be so massively in excess of the numbers that survive, perhaps because the presence of fewer adults exposes the young to more predation.

**3. Read** the last section of the article (**extract 4**), and decide if it is about the relationship between

- A. stock size and recruitment
- B. sustainable catches and bad recruitment years
- C. depleted stocks and natural replenishment

## EXTRACT 4

But whatever the reason, recruitment falls when fishing pressure is intense. "If the assumption that recruitment is independent of stock size is applied to depleted stocks - as has commonly been done - then sustainable catches will be grossly overestimated" says Holt. This is because of a knock-on effect in successive years: fishing reduces recruitment, which reduces the spawning stock, and so on. If you assume that recruitment will fall within its natural range whatever happens, and replenish the stock accordingly, you will continue to permit these catches, thinking you are only having a "few bad recruitment years". Instead, the stock can disappear. And this is precisely what happened on the Grand Banks.

4. Look at the verbs and **link words in the table** on the following page. Make logical sentences defining cause and effect by finding model sentences in the above extracts.

Example: A faulty scientific model has resulted in overfishing.

CAUSE	⇒	EFFECT
	have caused have resulted in has led to produced	
Because, As, Since		
	Therefore, so, thus, hence, accordingly, consequently, as a result, as a consequence,	

EFFECT	⇐	CAUSE
	has been caused by is due to	
	as a result of because of, owing to	

# ARTICLES

## I. ECONOMICS AND WORLD TRENDS

### **The Difference between Finance and Economics**

Although they are often taught and presented as very separate disciplines, economics and finance are interrelated and inform and influence each other. Investors care about these studies because they also influence the markets to a great degree. Here we take a look at finance and economics, what they can teach investors and how they differ.

#### ECONOMICS

##### *What is it?*

Without falling back on dry academic definitions, economics is a social science that studies the production, consumption and distribution of goods and services, with an aim of explaining how economies work and how their agents interact. Although labelled a "social science" and often treated as one of the liberal arts, modern economics is in fact often very quantitative and heavily math-oriented in practice.

##### *How is economics useful?*

When economists succeed in their aims to understand how consumers and producers react to changing conditions, economics can provide powerful guidance and influence to policy-making at the national level. Said differently, there are very real consequences to how a nation approaches taxation, regulation, and government spending; economics can offer advice and analysis regarding these decisions.

Economics can also help investors understand the potential ramifications of national policy and events on business conditions. Understanding economics can also give investors the tools to predict macroeconomic conditions and understand the implications of those predictions on companies, stocks, markets and so on. Being able to project that a certain set of government policies will stoke (or choke off) inflation or growth in a country can certainly help stock and bond investors position themselves appropriately.

##### *Economics in the markets*

Investors have an erratic history with economists, listening to them carefully at some times and all but ignoring them at others. While some investors may ignore economists' concerns and pile their investments into the latest booming sector, others will carefully track data on GDP, inflation and deficits to inform their investing decisions. It also matters *which* market is being considered; bond investors typically tend to pay more attention to economic data than many equity investors do.

#### FINANCE

##### *What is it?*

Finance in many respects is an offshoot or outgrowth of economics, and many of the notable achievements in finance (at least within academia) were made by individuals with economics backgrounds and/or positions as professors of economics. Finance generally focuses on the study of prices, interest rates, money flows and the financial markets. Thinking more broadly, finance seems to be most concerned with notions like the time value of money, rates of return, cost of capital, optimal financial structures and the quantification of risk.

### *How is finance useful?*

While economics offers the pithy explanation that the fair price of an item is the intersection of supply, demand, marginal cost and marginal utility, that is not always very useful in actual practice. People want a number, and many billions of dollars are at stake in the proper pricing of loans, deposits, annuities, insurance policies and so forth. That is where finance comes into play – in establishing the theoretical understandings and actual models that allow for the pricing of risk and valuation of future cash flows

Finance also informs business managers and investors on how to evaluate business proposals and most efficiently allocate capital. Basically, economics posits that capital should always be invested in a way that will produce the best risk-adjusted return; finance actually figures that process out.

### *In the markets*

As finance tries to concern itself with assessing the value of financial instruments, it is not surprising that one of the most common applications of finance in the markets is in the determination of fair value for a wide range of investment products. Stock-pricing models like the capital asset pricing model, option models and bond concepts like duration are all by-products of applied finance in an investment context.

Finance also offers new theories about the "right" way to do things, whether that is the optimal dividend or debt policy for a corporation or the proper asset allocation strategy for an investor. It can also be argued that finance affects the markets with a seemingly constant stream of new products. Although many derivatives and advanced financial products have been maligned in the wake of the Great Recession, the fact remains that many of these instruments were designed to address and solve market demands and needs.

### *The Bottom Line*

It is important for investors to avoid "either/or" arguments regarding economics and finance; both are important, and both have valid uses and applications. In many respects, economics is "big picture" (how a country/region/market is doing) and concerned about public policy, while finance is more company/industry-specific and concerned about how companies and investors evaluate and price risk and return. Historically, economics has been more theoretical and finance more practical, but this has changed in the last 20 years.

It is interesting to note, though, that the two disciplines seem to be converging in some respects. It seems that academics in finance are trying to incorporate more and more theory into their work and appear more academically rigorous. At the same time, there is at least a movement within some schools of economics to lean more heavily on math and appear practical and applicable to everyday business and policy decision-making processes. (This decision-making tool integrates the idea that every decision has an impact on overall risk. See *Multivariate Models: The Monte Carlo Analysis*.)

At some fundamental level, there will always be a separation, but both are likely to remain very important to the economy and financial markets for some time to come.

Read more: [The Difference Between Finance And Economics](http://www.investopedia.com/articles/economics/11/difference-between-finance-and-economics.asp#ixzz3l46a9k00)  
<http://www.investopedia.com/articles/economics/11/difference-between-finance-and-economics.asp#ixzz3l46a9k00>

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## **The Greek Economy**

The Greek economy, having achieved high growth rates until 2008, showed signs of recession in 2009 as a result of the global financial crisis, and from 2010 onwards the recession intensified considerably due to country's fiscal imbalances. The need for consolidation led the country to embark on a trilateral mechanism of financial support, comprised of the EU, the IMF and the ECB.

The restrictive income policy and drastic limitation on public expenses during the past four years have had a negative impact on GDP growth.

The reforms and restrictive policy implementations of the last years have already begun to bear positive results. The public deficit decreased by 66.1% in 2013 compared with the previous year.

A significant improvement in the development trends of economic indicators is expected this year through the acceleration of reforms aimed at the development of a more attractive investment and business environment, including liberalisation of a number of markets, faster licensing procedures, the Investment Law, flexibility in the labour market, and a reduction in the cost of production factors due to the crisis. It is estimated that starting this year the decrease of GDP will stop.

Unemployment in Greece, up to 2009, was relatively low at 7.6%, approximately the Eurozone average. From 2010 to 2012 unemployment showed an increase, and in 2013 reached 27.3%, as a consequence of the general economic crisis and the measures applied towards fiscal consolidation. Youth unemployment, which exceeds 50%, is one of the major problems arising from the domestic economic crisis. Unemployment is expected to gradually decrease from 2014 (reaching 24% in 2015 according to European Commission estimates).

## **Russia - Overview of Economy**

Russia has undergone significant changes since the collapse of the Soviet Union, moving from a globally isolated, centrally-planned economy to a more market-based and globally-integrated economy. Economic reforms in the 1990s privatized most industries, with some exceptions in the energy and defence sectors.

In 2011, Russia became the world's leading oil producer, surpassing Saudi Arabia. Russia is the second-largest producer of natural gas and holds the world's largest natural gas reserves, the second-largest coal reserves, and the eighth-largest crude oil reserves.

The economy had averaged 7% growth in the decade following the 1998 Russian financial crisis, resulting in a doubling of real incomes and in the emergence of a middle class. The Russian economy, however, was one of the hardest hit by the 2008 global economic crisis as oil prices plummeted and foreign credits dried up.

According to the World Bank the government's anti-crisis package in 2008-09 amounted to roughly 6.7% of GDP. The economic decline bottomed out in mid-2009 and the economy began to grow in the third quarter of 2009. However, a severe drought and fires in central Russia reduced agricultural output, which led to a ban on cereal exports, and slowed growth in other sectors such as industrial production and retail trade.

Russia's long-term problems include a shrinking workforce, a high level of corruption, difficulty in accessing capital for smaller companies, and poor infrastructure, which needs large investments.

[www.indexmundi.com/russia](http://www.indexmundi.com/russia)



## **Recession-proof industries in US**

At the time of this article, the United States economy is in a recession. It is a well-known fact that unemployment soars during these periods as businesses close down or cut costs to wait for the economic recovery. During recessions, job security becomes the number one priority as workers move toward so-called recession-proof industries which are traditionally defined as industries that either prosper during crisis or at least survive it.

However, the global financial crisis of 2007-2009 rewrote the rules about recessions. Many economists are now saying that there's no longer such a thing as a recession-proof business. The best that employees can hope for is a recession-resistant job. Every sector of the economy is getting a hit as consumers reduce their spending, banks freeze credit and governments try to find a solution. The aim is to figure out which industries will survive better than the rest.

Experts say that the key to job security during a recession is to find a career that shows long-term growth potential, is immune from outsourcing and isn't tied to the changing tastes of consumers. One such area is discount retail business. While nearly every large American retailer suffered significant losses in the first months of 2009, Wal-Mart reported a 5.1 percent increase in profits, more than doubling Wall Street's expectations of 2.4 percent.

May 2010

## **International tourism exceeds expectations in the first half of 2013**

International tourism grew by 5% during the first half of 2013 compared to the same period of 2012, reaching almost 500 million visitors, according to data just released by UNWTO. Touristic destinations of the world received an estimated 494 million visitors spending the nights there in the first six months of 2013 - according to latest edition of the *UNWTO World Tourism Barometer*, which was released on the occasion of the UNWTO 20<sup>th</sup> General Assembly.

This number/data represents an increase of 5%, or else 25 million more international tourists compared to the same period of 2012. Growth was stronger in destinations of emerging economies (+6%) than in countries of advanced economy (+4%).

“The fact that international tourism exceeded expectations confirms that travelling is now part of consumer patterns in both emerging and advanced economies” said UNWTO Secretary-General, Taleb Rifai. “This underlines that tourism should be considered as one of the key pillars of socio-economic development as it is a leading contributor to economic growth, exports and job possibilities.”

The first half of the year normally accounts for some 45% of the total international tourism (July and August, the high season months in the Northern hemisphere of the world fall into the second half of the year). Growth is expected to continue in the second half of 2013, but at a gradually slower pace. According to UNWTO forecasts for 2013 this will exceed the original estimate for the year.

<http://media.unwto.org/en/press-release>

## **China lends support to London real estate after Brexit vote**

For many international real estate investors London is no longer the place to invest. Since the UK voted to leave the EU in June 2016, investment to commercial property has dropped to an extent which is less than half of the level comparing to the previous year.

But one group of investors from China and Hong Kong is proving less pessimistic. They have suddenly started to purchase precious assets in the City of London and the West End. According to Peter McColl, head of global capital markets, the flow of Chinese money into UK property includes partly cash from state-owned enterprises and partly that of ultra-wealthy individuals. These investments are helping to limit an overall decline since the EU Referendum.

Beijing Capital Development Holdings, a state-owned group, is one of those who decided on purchasing a prestigious property in London, offering more than £250m for the headquarters building of a law firm. Similarly, one building of the Bank of England was acquired by a Hong Kong based investor group for £154m.

Appetite for London real estate extends to other sectors, too. A soy sauce manufacturer bought an office building in the Isle of Dogs, while the insurance company, China Life bought Aldgate Tower in a joint venture with a Canadian group. Hong Kong companies have also been seeking to diversify beyond their home market.

A drop in prices combined with a weak pound sterling has made purchasing London properties more attractive.

### **Niche Market Tourism**

Over the last ten years, tourism has diversified considerably. Whilst holidays used to largely fall into the summer season, the winter skiing holidays, and the “original niche markets” which included lakes and mountains and city breaks, the market is now much more sophisticated.

Tourists are more confident about travelling to destinations that are further from home, they are more confident about booking flights and accommodation themselves, and many want to be increasingly active when on holiday.

These changes in consumer attitudes have led to the emergence of a large number of small tour operators that offer activities and tours that have not traditionally been included in the large, more traditional tour operator brochures.

However, the popularity of these niche markets and their rapid rates of growth in recent years have led many of the larger operators to either include them in their own brochures, or buy some of the smaller operators and merge them into their own organisations.

New niche market segments include for example desert tourism, diving, jungle expeditions as well as charity tourism after natural disasters.

Niche markets are partly responsible for driving the growth of tourism to many parts of the world, and in many cases in a responsible and sustainable way. With increasing concern amongst travellers about the environment, these market segments are all becoming an increasingly important part of the tourism sector.

## **Deflation in the euro zone**

The world economy is not in good shape. The news from America and Britain has been reasonably positive, but Japan's economy is struggling and China's growth is now slower than any time since 2009. Unpredictable dangers abound, particularly from the Ebola epidemic, which has killed thousands in West Africa. But the biggest economic threat comes from continental Europe.

Now that German growth has stumbled, the euro area is on the verge of topping into its third recession in six years. Its leaders have squandered two years of respite, granted by the pledge of Mario Draghi, the European Central Bank's president so that they could save 'whatever it takes' the single currency. The French and the Italians have dodged structural reforms, while the Germans have insisted on too much austerity. Prices are falling in eight European countries. The zone's overall inflation rate has slipped to 0,3%, and may go to outright decline next year. A region that makes up almost a fifth of world output is marching towards stagnation and deflation.

Optimists, both inside and outside Europe, often cite the example of Japan. The Japan economy fell into deflation in the late 1990s with unpleasant consequences for both itself and the world economy. But the euro zone poses far greater risk. Unlike Japan, the euro zone is not an isolated: from China to America inflation is worryingly low. And, unlike Japan - which has a homogenous society - the euro area cannot hang together through years of economic sclerosis.

## II. COMPANY DESCRIPTIONS AND PROFILES

### 1. Amazon.com

Amazon is a global superstore like *Walmart*. It's also a hardware manufacturer, like *Apple*, a production studio, like *Paramount*, and also a video distributor, a book publisher, a grocery deliverer, and some day it might provide a package service, like *U.P.S.* Its founder and chief executive, Jeff Bezos, also owns an important newspaper, the *Washington Post*. All these streams and tributaries make Amazon radically new in the history of American business.

Mr Bezos originally thought of calling his company Relentless.com before adopting the name of the world's largest river. Amazon's aim extending in all directions, makes it unusual even in tech industry, where rapid growth is the measure of success.

Amazon began as a bookstore in 1994. At the age of 30 Mr Bezos quit his job at a Manhattan Fund and moved to Seattle to establish a company that could ride the exponential growth of the early commercial Internet. It wasn't the love of books that led him to start an online bookstore. Books are easy to ship and hard to break, and there was a major distribution warehouse in Oregon. The vast selection made possible by the Internet gave Amazon its initial advantage, and a wedge into selling everything else.

Amazon intended to sell books as a way of gathering data on affluent, educated shoppers. The books were priced close to cost, in order to increase sales volume. After collecting data on millions of customers, Amazon could figure out how to sell everything else dirt cheap on the Internet. Before Google, and long before Facebook, Mr Bezos had realized that the greatest value of an online company lay in the consumer data that it collected. Two decades later Amazon sells wide range of products: lawn-movers, iPods, art work, toys, shoes, bike racks, safes, 3-D printers etc. According to one publisher's estimate, book sales in the U.S. now make up about seven percent of the company's roughly seventy-five billion dollars in annual revenue.

### 2. The Martela Co.

Martela's production plants are located at Nummela and Kitee in Finland. Modern office furniture is manufactured on production lines which are almost entirely automatic.

"A great deal has changed since the Kitee factory began operations in 1975. Then, we only had 30 employees and processes were carried out by hand. Martela invested in the latest technology, which combined with a successful range of products, has been the secret of our success," explains factory manager, Mauno Rautiainen.

One of Martela's strengths is logistics. This is largely IT-based and enables fast, efficient deliveries."New technology has improved both the quality and environmental aspect of furniture production. Emission levels have been reduced and we started using water-soluble glazing agents. For the third year in a row we have invested millions in developing our factories. Martela was awarded ISO 14001 environmental certification for environmental awareness, and ISO 9001 quality certification, in recognition of our operations at every stage of the process from design to manufacture to logistics. Environmental issues are important to us." Rautiainen says.

The production process begins as soon as a customer has placed an order at one of the Martela sales centres. Details of the order are sent out to the factories. Then the order to manufacture a particular product is sent to the production or assembly line.

The details of the order are also sent – automatically through the main IT system channels – to Martela suppliers, who get the necessary materials and parts from the warehouse and send them on to the Martela factories.

### **3. Tata success story is based on humanity and ethics**

#### **4.**

Companies are traditionally organised on two lines - either to make money for their shareholders or, in idealised socialist theory, to deliver services for the community. Tata is a unique company which was established to do both.

This company has not merely reformulated many of the business principles we have been taught for generations; it has turned them upside down. While many of its companies are publicly traded, the Tata Group has evolved from being a family-owned business to becoming one of the best-run groups in the world.

Philanthropic Trusts control over 66% of the Tata holding company Tata Sons, while the Tata family is a very small shareholder. The owners are only one of four stakeholders Tata sets out to serve. In addition to the owners (which include shareholders), these are employees, customers, and society itself. Society is what the company's leaders call the Fourth Stakeholder. Society motivated Jamsetji Tata when he built his first company more than a century ago. He undertook his enterprise with the mission of using it simply to make people's lives better.

In 1869, Jamsetji converted a bankrupt oil mill for the production of cotton. It was a modest start, but he had grand visions of what India could become. He promoted his religion's most central teaching: that the mission of the righteous person is not merely to live a good life, but to make life better for others. „Currently, 99% of the wealth is owned by less than 1% of the people and if all the wealth in the world were divided into all the people in the world, everyone would be a millionaire. I am an unapologetic capitalist but I have now realised that there is a different way for capitalism to succeed - the Tata way.”

Societies have grown used to thinking of business success as a zero-sum game, in which my victory requires your defeat. Success that follows a zero-sum formula is incompatible with a Fourth Stakeholder. But Jamsetji Tata never used that formula. They reformulated the criteria of business success, and made humanity and ethics its very core.

Instead of specialising, Tata has ventured into a number of unrelated industries and has become a world leader in several - from steel, chemicals and IT to hotels, energy, automobiles and insurance. A diversified global enterprise, philanthropic at its core, the company shares profits with employees, shareholders and the societies in which they live and work. The most senior Tata managers don't live in huge mansions, as so many American and European CEOs do, but in modest homes. The guiding principle for everyone at Tata is sharing the wealth.

*Sep 5, 2014.*

### III. STARTING AND MAINTAINING BUSINESSES

#### 1. Business Plan essentials for Start-up Businesses

(How to size up your business opportunity and use market segmentation)

The size of the market where you intend to get to is a key figure, and it is the starting point in shaping your marketing strategy.

Sizing up the relevant market, in principle, is not too difficult. Secondary data are available in published form, and are accessible either online or via business sections of public libraries throughout the UK.

Assessing the relevant market, involves refining global statistics to provide the real scope of your market. If your business operates only in the UK, the market is worth over £2.7 billion, equivalent to 12 million loaves a day, one of the largest sectors in food. If you are operating only in the craft bakery segment, the relevant market shrinks down to £13.5m.

Segmentation is an important marketing process, as it helps to bring customers more sharply into focus, classifies them into manageable groups, and allows you to focus on one or more niches. Customers have different needs with different levels of intensity. You will be more concerned when you choose an airline than when you buy a pen. That means that you need to organise your marketing effort so as to address the individual needs.

There are four useful rules to help decide if a market segment is worth building into your business plan. 1. Measurability – Can you estimate how many customers are in the segment? Are there enough to offer something „different” for them? 2. Accessibility – Can you communicate with these customers, preferably in a way that reaches them on an individual basis? 3. Profitable development – Do the customers have the money to spend on new products and services? 4. Size – A segment has to be large enough to be worth your exploiting.

<http://startups.co.uk>

#### 2. Tips to be an efficient leader of your company

*Always think big and dream big. Focus on your strengths* and work on improving your shortfalls. Don't compare yourself to others and don't let circumstances dictate what you are capable of achieving.

Do what you can do. Don't waste time feeling sorry for yourself. *Take responsibility for* where you are. If you want something, you owe it to yourself to go out and get it. Nothing worth having comes easy.

*Turn bad things into good ones*, and make it a growing experiencing. Don't dwell on others opinions of you or take things personally. Don't blame and harbour toxic emotions. It will only hold you back and would add fuel to the fire. **Envision the future and maintain your focus.**

*Be confident.* Ask for what you want. You have to keep fighting for your dreams. How many times will you try before you decide to give up? This is your dream and you have to protect it. Once there is a will, there is always a way.

*For everything there is a time and season.* The waiting period can be the most difficult but it's important to not let doubt and fear creep in.

*You can't do it alone.* There are days when it becomes too much for you. You may need a little help to get back up.

**Think that things will work out.** Some things are out of your control. Trust that you will go through those difficult moments and have peace even when things don't go their way.

Additionally, as my grandmother would always say, **“Make books your friends!”** It opens your mind to new possibilities and helps you *learn from the experience of others.*

11 September 2015

### 3. A few principles for thoughtful leaders

*Everyone has ideas. Ideas are cheap. Talk is even cheaper. We listen to leading thinkers because their ideas are validated by success. When you prove your future vision is valid, gaining recognition for visionary thinking is much easier.*

1. Most of us follow basic business principles. How we apply those principles may be (slightly) different because each of us is unique... but not really. To be a visionary you must take a very different approach, and that means many people will disagree with your thinking even after you've proven you're right.
2. Putting together a platform it is incredibly hard. The *Wall Street Journal* won't take your calls, but trade publications, local papers, radio stations, and moderately influential bloggers may, especially when you have something different to say and a story that proves your point.
3. In some cases, smaller mainstream media outlets not only don't mind when you reach out, they *want* you to reach out, because many are starved for content. Be humble and speak and write for just about anyone who will have you. If nothing else, post on LinkedIn. That's the only platform you're guaranteed access to -- and the only platform with hundreds of millions of potential readers. Remember: if you're only willing to start at the top... you'll never get off the bottom.
4. Visionary thinkers not only have great ideas, they can effectively communicate those ideas. The same goes for you. You must be able to write and speak extremely well. Unless you have the resources to hire somebody to write articles, books, speeches, etc., it's all up to you. This is another reason starting small.
5. If you're a consultant or an author, you can have a direct payoff. Credibility and increased visibility can create broader opportunities, drive higher fees, and boost revenues. Building a platform and an audience for your ideas is, really hard. You'll invest countless hours writing, speaking, promoting, and networking, possibly for very little return. But in many cases it is worth the effort.
6. Take a hard look at the benefits you expect to receive. If you can't quantify the return, put your time into other activities that will produce a real return. If it's just about your ego, you'll never succeed, and in fact probably shouldn't, because good leaders place all the emphasis on their ideas -- not on themselves.

### 4. Green business ideas

Ready to start a business but worried about the impact it might have on the environment? If protecting Mother Nature is what you've got in mind, you're in luck: More and more consumers are turning to eco-friendly alternatives to their favourite products and services, and more and more businesses are going green as a result.

Need some organic inspiration? Check out these eco-friendly business ideas perfect for nature-conscious entrepreneurs.

A great way is to start an organic catering company. Cook foods that are made from organic and locally grown ingredients, and offer free-range meats along with vegan, gluten-free and paleo-meal options and you'll appeal to nature lovers and health and wellness enthusiasts alike.

Be sure to keep environmental impact to a minimum by avoiding using plastic and paper goods as much as possible and composting food waste.

With more and more consumers becoming aware of the foods they're eating, the products they put on their bodies and the impact they have on the environment, it's no surprise that people are looking for natural alternatives to their favourite beauty products.

Organic and vegan beauty products — from soaps to shampoos to makeup — are popping up everywhere. A way to make this trend work for you is to open an eco-friendly beauty salon. You can start a hair salon that uses all-natural shampoos and conditioners, or a nail salon that uses environmentally friendly and vegan polishes and spa treatments.

Bio-cotton, reused fabric scraps and even plastic bottles can all be starting points for a green fashion line. You can create silk screen artwork on eco-friendly T-shirts, or design handbags and accessories made of recycled materials.

Many distributors brand themselves as "organic," "fair trade" and "eco-friendly," so do your research on their practices to make sure you're sourcing your fabrics from reputable organizations.

<http://www.businessnewsdaily.com/5102-green-business-ideas.html>

## **5. Ways to Fund Your New Business**

While banks like to publish press releases where they announce their commitment to lend to small businesses, the truth is that they do not like to do it. If you have collaterals and a good credit record, you might be given a personal loan.

Here are some other, non-traditional ways of funding.

### **1. Crowdfunding (public funding):**

Putting your new idea for your new business up on the Web and asking people to donate money so you can go ahead, is an increasingly popular way for new businesses to get funded. There are a growing number of crowdfunding portal websites where you can post your business idea.

### **2. Start-up accelerators:**

They can be a great way to fund the business as most of them provide education and mentoring as well. These companies nurture and support new businesses around the world. A drawback of this method is that accelerators offer investment in exchange for equity (stock in ownership).

### **3. Compete for funds:**

Every year it seems that there is an increasing number of contests that offer money to businesses as a prize. The best of these also offer things such as access to expertise and training,



#### 4. Business to business financing:

Some companies are financing other companies. This is a way to increase the reach of their own products and secure their supply chains.

#### 5. Franchise financing:

Franchises generally are easier to finance than other start-ups as there are more traditional lenders who are willing to loan them money.

### **6. What is an Angel Investor?**

If – as an entrepreneur - you are looking for an infusion of capital, you may be curious about angel investors. Very few start-up businesses will receive an investment from an angel. In 2007, fewer than sixty thousand companies received angel funding. But for small businesses, the type of capital that you have got from friends and family, and the venture capital can secure your business.

So, who is an angel exactly?

An angel is a wealthy individual willing to invest in a company at its earlier stages in exchange for an ownership stake. Angels are considered one of the oldest sources of capital for start-up entrepreneurs. The term itself comes from affluent patrons who used to finance Broadway plays in the early twentieth century. In 2007, angels invested \$26 billion in 57,120 ventures. That makes angels a potentially powerful resource for new entrepreneurs with promising young companies.

But little is known or understood about the angel market, largely because it consists of individuals who make investments quietly.

Seeking an angel investment depends on your personal management style and the long-term plans for your company. The angel investor gets an ownership interest in your company, unlike a bank loan, or other types of debt financing.

Many angel investors are successful entrepreneurs, and want to help others just starting out. While their expertise may be useful, you have to ask yourself whether you want put yourself under control.

Angels typically look for 'scalable' businesses that have the potential for great growth and a clear path towards profitability.

Recently, angels (much like venture capitalists) have been attracted by hot start-ups in fields such as technology or life sciences. They hope to make money by getting equity – usually preferred stock – in your company, and realising large gains when the company is sold or goes public.

They generally do not invest in companies such as consulting firms, local restaurants, retail shops or any businesses with limited earnings potential.

*(Adapted from The Wall Street Journal Complete Small Business Guidebook)*

## GLOSSARIES

### ENGLISH – HUNGARIAN GLOSSARY of ECONOMIC TERMS

assessment	adókivetés
assets	aktívák, vagyontárgyak
allowance	árcsökkenés
amount	összeg
amount carried forward	átvitt összeg
authorized to sign	aláírásra jogosult
auction	árverés
account	számla
acquisitions	beszerzések
agent	ügynök
available	elérhető, lehívható
available foreign exchange	devizaállomány
assignee	engedményes
acceptable	elfogadható
advances	előny (anyagi)
advance	előleg
annual report/review	éves beszámoló
authorization	fel/meghatalmazás
account	számla
accounts receivable	folyószámla követelés
accounts payable	folyószámla tartozás
advance payment guarantee	előlegfizetési garancia
approval	jóváhagyás
to assume a risk	kockázatot vállalni
adjustment	kiegyenlítés
against receipt	számla ellenében
amounts agree	összegek egyeznek
accounting	számvitel
agent's commission	ügynöki jutalék
agency	ügynökség
agency agreement	ügynöki szerződés
brought over/brought forward	áthozott (számlán)
bid bond	bánatpénz
bank	bank
bank deposit	bankbetét
branch	bankfiók
bank guarantee	bankgarancia
bank credit/banker's facility	bankhitel
branch	bankfiók
bank-note/bank-bill	bankjegy
bank-rate	bankkamatláb
bank-loan	bankkölcsön
banking charges	bankköltségek
bank balance	bankkövetelés
balance sheet of a bank account	bankmérleg
by virtue of sg	bemutatóra szóló részvény (vmi címén)
bankruptcy	csőd
bankruptcy-proceedings	csődeljáráás
bankrupt's estate	csődtömeg
balance	mérleg, egyenleg
boom	fellendülés
bank credit	bankhitel
beginning balance	nyitótétel
buying rate of exchange	vételi árfolyam

bonus	prémium
balance of account	számlaegyenleg
business	üzlet
bill of exchange	váltó
blocked account	zárolt számla
cash	készpénz
cash discounts for prompt payment	azonnali fizetésnél nyújtott árengedmény
capital	tőke
capital stock	alaptőke
cash in hand	pénztári állomány
company	vállalat
convertible	konvertibilis
certificate	bizonylat, igazolás
to countersign as guarantors and payers for the acceptor	avizálni
credit	hitel
closing of banks	bankzárlat
to collect	behajtani
collectible	behajtható
collection	behajtás, inkasszó
collection order	beszedési megbízás
cheque/check	csekk
cheque-card	csekk-kártya
charges	költségek
charges incurred	felmerült költségek
conditions	feltételek
to counter-guarantee	felülgarantál
current account	folyószámla
commercial	kereskedelem
commercial credit	áruhitel
creditable/creditworthy	hitelképes
credibility	hitelképesség
credit maturity	hitellejárt
confirming bank	igazoló bank
confirmed	igazolt
competent	versenyképes
to credit	jóváírni
credit entry/ credit advice	jóváírás
commission	jutalék
to charge commission	jutalékot felszámítani
compound interest	kamatos kamat
to charge interest	kamatot felszámítani
to compensate	kártalanítani
commercial invoice	kereskedelmi számla
clearing	klíring/számla valuta
credit side	követel oldal
to collect claim	követelést behajtani
common funds	közpénzek
credit entry	jóváírás
circulation of money	pénzforgalom
costs	költségek
to charge to sg	ráterhelni vmire
to cancel	sztornírozni
credit account	hitelszámla
checking up	számlaegyeztetés
current account	folyószámla
common stocks/common shares	szavazati jogot biztosító részvények
covenant	szerződő fél
current year	tárgy év

currency	valuta
customs invoice	vám számla
debt	adósság
debtor	adós
debentures	adóslevél
documentary credit dehurragge	akkreditív álláspénz
due within one year	egy éven belül esedékes
depreciation	értécsökkenés
devaluation	elértéktelenedés
dividend	osztalék
dividend warrant	értékszelvény
deficit	deficit
draft	intézkvény
drawee	intézkvényezett
drawer	intézkvényező
to draw on sy	intézkvényezni vkire
doubtful accounts	kétes számlák
devaluation	leértékelés
discount, discounting	leszámítolás
discount rate	leszámítolási kamatláb
discount charges	leszámítolási költségek
deposit	letét/betét
demand deposit	látra szóló betét
divisible	osztható
debit side	tartozik oldal
debited	megterhelve
to effect an insurance	biztosítást kötni
to exchange	átváltani
exchange control regulations	devizakorlátozó rendszabályok
expensive	drága, költséges
expenses	költségek
extra charge	felár
to endorse	forгатni
endorser	forгатó
endorsee	forгатmányos
endorsement	forгатmány
economic crisis	gazdasági válság
economical	gazdaságos
expenditures	költségek
expiry	lejárat
entitled to vote	szavazati joggal bír
excess	számla túllépés
equity	törzsrészcvény (változó osztalékkal)
equity in assets	vállalati aktívák többlete a passzívakkal szemben
fixed assets	állóeszközök
financial situation	penzügyi helyzet
fall of rate	árfolyamesés
flat rate	átalány díjtétel
freight unpaid	bérmentesítés nélkül
freight prepaid	bérmentesítve
fall	esés, csökkenés
fee	díj
free of charges	díjtan
freight	fuvardíj
free of interest	kamatmentes
floating	lebegtetés
financial conditions	penzviszonyok

for one's own account	saját számlára
franchise tax	társulati adó
fulfilment	teljesítés
government security/bonds	államkötvények
gross	bruttó
geographic area	földrajzi megoszlás
guarantee	garancia
to grant credit	hitelt nyújtani
to grant a suretyship	kezesiséget nyújtani
gain	nyereség, többlet
increase	növekedés
to increase	növelni
to increase the amount of the credit	növelni a hitel összegét
state insurance enterprise	állami biztosító
increase in rate	árfolyam emelkedés
investment	befektetés
income	jövedelem
insurance	biztosítás
insurance premium/fee	biztosítási költségek
to invest	beruházni
intangibles	eszmei vagyontárgyak
indebtedness	eladósodottság
insufficient funds/cover	elégtelen fedezet
insolvent	fizetéképtelen
import licence	import engedély
import restrictions	import megszorítások
income	jövedelem
income tax	jövedelem adó
interest	kamat
interest rate	kamatláb
interests are paid regularly	a kamatok rendszerben befolyznak
interest bearing account	kamatozó számla
inventories	készletek
invoice	számla
item	tétel
irrevocable	visszavonhatatlan
joint security	egyetemleges kezeség
joint stock company	részvénytársaság
joint venture	közös vállalat
journal entry	könyvelési tétel
keeping an account	számlavezetés
to keep an account with a bank	bankszámlával rendelkezni egy banknál
legal entity	jogi személy
licence	engedély
to lose its validity	érvényét veszti
letter of guarantee	garancialevél
leasehold deed	haszonbérleti szerződés
loss	hiány
long term credit	hosszúlejáratú hitel
to legalize	hitelesíteni
letter of credit	hitellevél
limited liability company	KFT
liabilities	passzívák
mother company	anyavállalat

machine accounting	gépkönyvelés
medium term credit	középlejratú hitel
monetary unit	pénzegység
market	piac
market-oriented economy	piacgazdaság
multiple	többszörös
money order	utalvány
mortgage	záloglevél
	jelzálogpénz
money	pénz
national debt	államadósság
non-interest bearing account	nem kamatozó számla
note	kötelezvény
to negotiate	megelőlegezni
	átruházni
negotiation	megelőlegezés
	átruházás
negotiable	átruházható
not-negotiable	nem átruházható
net	nettó
net of sg	nettója vminek
offer	ajánlat
obsolescence	elévülés
obsolete	elévült
over-insurance	értéken felüli
overdraft	technikai hitel
overdraft credit	folyószámla hitel
outstanding	hátralékos, kifizetetlen
outlay	kiadás
order backlog	rendelés lemaradás
to overvalue	túlértékelni
prompt payment	azonnali fizetés
payment	fizetés
price	ár
price-list	árlista
to present	okmányt benyújtani
presentation	okmánybenyújtás
penalty	bíróság
to pay a penalty	bíróságot fizetni
pro forma invoice	előszámla
preliminary payment	előzetes fizetés
payable	kifizethető
payment extension/delay	fizetési haladék
payment liability/engagement	fizetési kötelezettség
paying bank	fizetőbank
performance guarantee	teljesítési garancia
to prolong	meghosszabbítani
payment in cash	készpénzfizetés
profit	haszon
pecuniary recourses	pénzforrás
pecuniary assistance	pénzügyi támogatás
payee	rendelvényes
per cent/percentage	százalék
purchase price	eladási ár
rebate	árengedmény (mennyiségi rabatt)
to reduce the amount of the credit	csökkenteni a hitel összegét

revenue	árbevétel
receivable	átvehető
rate of exchange	átváltási ráta
rise of rate	árfolyamemelkedés
rate	ráta
to remit	átutalni
remittance	átutalás
receipt	átvételi elismervény
registered company	bejegyzett cég
register of firms	cégjegyzék
responsibility for sg	felelősség
real estate	ingatlan
restrictions	megszorítások (pénzügyi, gazdasági)
risk	kockázat
receivables	kinnlevőségek
reimbursement	lehívás
to reimburse	lehívni
reversal item	stornó tétel
refund/retransfer	visszaütalás
revocable	visszavonható
recourse	visszkereset
salvage value	állóeszközkisejtezés értéke
state bank	állami bank
state loan	államkölcsön
stock/share	részvény
sum collected	befolyt összeg
to surrender	beszolgáltatni
safe investment	biztos befektetés
shortage of currency	devizahiány
selling price	eladási árfolyam
sale	eladás
seller	eladó
settlement of accounts	számla rendezés
to sell by auction	elárverezni vmit
security	értékpapír
surplus value	értéktöbblet
stock exchange	értéktőzsde
surplus	többlet
semi-finished goods	félkészárúk
solvent	fizetőképés
solvency	fizetőképesség
service life	hasznos élettartam
supplies	hitel, pénzellátmány, v készlet/kínálat
stock exchange collateral	hitelfedezetül szolgáló, tőzsdén jegyzett értékpapír
shortage	hiány
short time credit	rövidlejáratú hitel
supplies	járadék, készlet
stock	készlet
settlement	kiegyenlítés
to settle	kiegyenlíteni
summary	összegzés, összefoglalás
subsidiary	leányvállalat
stockholders of record	névreszülő részvények tulajdonosai
supplement	pótlék
stockholder/shareholder	részvényes
stock corporation	részvénytársaság
specification	specifikáció, jellegzetesség
suspense account	függő-számla
statement of account	számlakivonat

sum of invoice	számla összege
surplus	többlet
to surpass	túllépni a számlát
to suffer losses	veszteséget szenvedni
tax	adó
taxable	adóköteles
tax deduction	adólevonás
to whom it may concern	akit illet
trustee	bizalmi kéz
tariff	díjtétel
term/time limit	határidő
time wage	órabér
task wage	teljesítménybér
total amount	végösszeg
trust receipt	zálogtartói nyilatkozat
uncollectible	behajthatatlan
unit price	egységár
unacceptable	elfogadhatatlan
uncovered/unsecured	fedezetlen
unpaid/unsettled	fedezetlen
to undertake a guarantee	garanciát vállalni
undertaking of a guarantee	garanciavállalás
utilities	közszolgáltatások
unclassified	osztályozatlan
valid	érvényes
work in process	befejezetlen termék
to withdraw	bevonni (pénzt)
to waive from sg	elállni vmitől (pl. kötelezettségtől)
to withhold	kifizetéseket visszatartani
write down	leírás (számla)
warrant	utalvány



## GLOSSARY for MARKETING

assets	all things owned by a company e.g. factories, offices, vehicles, equipment.
acquisition	the purchase or takeover of one company by another company.
balance sheet	the overall statement of a company's financial position at a particular date. It usually consists of two sections. Liabilities on the left show where finance comes from. Assets on the right show how the finance is used.
balance of trade	the difference between the visible imports of a country and the visible exports expressed in money terms.
book value	the value of the assets of a company as shown in its accounts.
borrowings	long-term loans to a company from banks or other sources.
break-even	to be in a position where revenue from sales is equal to costs of production so that neither a profit nor a loss is made.
budget overruns	the amount by which expenditure exceeds a budget target.
cannibalise	a marketing term used when the marketing strategy used to promote a particular product of a company causes the sales of another product of the same company to decline or stop completely.
capital employed	the main sources of finance for a company. It usually consists of share capital, reserves and long term bank loans. These items usually appear on the liabilities side of the balance sheet.
cash cows	a marketing term to describe a company's most successful product. It has a high market share and does not need a lot of money to keep this position. It therefore produces a lot of cash for the company.
company plan	a long-term plan for a company's organisation and activities.
company turnaround	the conversion of a company from a loss making business to a profit making business.
competitive pricing	fixing the price of a product to gain an advantage over competitive products.
corporate strategy	a long-term strategy for a company's activities.
corporate targets	the targets which the corporate strategy tries to achieve
contribution to overheads	the income received from the sale of a product does not always cover the total costs of producing that product. However, as long as the income exceeds the direct costs e.g. materials, fuel, there will be something left to help to cover indirect or overhead costs. This amount is called the contribution to overheads.
dealer franchise system	a sales system in which an independent dealer buys the right or franchise to sell a producer's product in one area.
demand side	anything to do with why customers want to buy things.
dividends	profits distributed to shareholders.
division	one of the more or less independent units into which a large business has been divided for purposes of management.
down-market product	a product for the poorer sections of a market.
downtime	time during which no use is made of machinery e.g. due to breakdowns, lack of materials, labour problems.
earning per share	profits attributable to shareholders divided by the number of ordinary shares in issue.
economies of scale	the economies and therefore lower unit costs of production to be got from producing large quantities of a product.
exchange rate variations	changes in the value of one currency against another.
feasibility study	a careful analysis of a proposed new product, process or project.
fixed costs	costs that do not vary with output e.g. buildings.

high-tech	high technology.
image premium	the higher price customers will pay because of a product's or a company's reputation or image.
market coverage	the degree to which a company has products to satisfy every particular need or demand in one market.
market-oriented	a company which is sensitive to the needs of its markets rather than to its own internal needs.
market-segmentation strategy	a marketing plan which aims to divide one market into various sub-units.
market share	the proportion of a total market supplied by one product or manufacture.
me too products	a marketing term for products of one company which imitate or copy the products of another company.
merger	when two companies combine to form one company.
Mickey Mouse operators	companies which need not be taken seriously.
negative profitability	the opposite of profit i.e. losses
net sterling receipts	the income received from overseas sales after they have been converted to sterling and after charges, costs etc. have been deducted.
networking system	the linking of several small computers to provide the same operational capacity as one large computer.
net worth	the difference between total assets and total liabilities. It represents the value of a business after all claims against it have been paid.
operational plan	a plan for operations rather than organisation or investment.
output per man hour	the value of output per period divided by the number of hours worked in the same period.
patent	the exclusive right to produce and sell a new invention.
payroll	the total amount paid to employees as wages and salaries.
pre-tax profits	trading profits plus income from other activities e.g. shares in other companies, less interest paid on loans.
price competition	market competition in which price is the key weapon.
product spread matrix	a diagram which compares a company's products in terms of market shares and market growth rates.
productivity gap	the difference between one company's or nation's output per man and another's.
production constraints	the factors that limit a company's ability to produce things more cheaply or more quickly.
profit and loss account	an accounting statement which calculates a company's net profit or loss.
public sector	all those industries or organisations which are run or owned by the government.
question mark products	products in the product spread matrix about which there is some uncertainty whether to spend more to promote them or stop promoting them.
R & D	research and development.
rationalisation	a planned reorganisation of a company to improve efficiency
(in) real terms	a measure of value which is adjusted for inflation e.g. In money terms wages rose by 10 per cent. Inflation rose by 5 per cent. In real terms therefore wages rose by only 5 per cent.
redundancies	the number of workers dismissed because of lack of work.
redundancy payments	amounts paid to workers who have been made redundant to compensate them for loss of earnings.
re-launch	launching a new product for a second time in order to improve its chances of success.
relative market share	a measure used in the product spread matrix to show a product's share of a market compared with the share of the market of its nearest competitor e.g. a relative market share of 2.0 means that a product has twice the share of its closest competitive product.
reserves	amounts set aside from profits to meet future expenditure needs.

return on capital employed	trading profit divided by capital employed in a company. This very important management ratio shows the percentage profit generated by a company's capital base. It allows a company to compare its overall performance with a similar company in the same industry.
return on investment	the percentage profit that an investor will receive from a particular investment.
sales area test if it is suitable for all areas.	the testing of a new system or product in one particular sales territory to see
sales target shortfalls	the amount by which sales are below sales targets.
share capital	the amount of capital in a business which is financed by share issues.
share price	the market price of a share sold on a stock exchange.
star	a product in the product spread matrix which has a high share in a rapidly expanding market but which, because of high costs of promotion, is not yet very profitable. When the market matures however it will not need a lot of promotion and will therefore become a highly profitable cash cow.
stripped down version	a product model which has the minimum basic features.
takeover risk	the danger that a company will be bought or taken over by another company
tariff barrier/tariff wall	import taxes or quotas designed to protect home industries from foreign competition.
technological lead	the advantage that one product or company has over another in terms of technology.
trading profits	the profits from a company's normal activities. It does not include income from shares in other companies or interest paid on long-term loans. See pre-tax profits.
turnover	total sales over a specified period.
up-graded	replaced a machine with a larger, more expensive or more modern machine from the same manufacturer.
value added per employee	this is a common measure of productivity. It is the difference between what the producer pays for his supplies and what he sells his final product for i.e. the value he adds to his raw materials and labour. This added value is then divided by the number of employees.
variable costs	costs which change depending on the volume of production.
wage bill	the total cost of wages and salaries.
zero budgeting	a budgeting system which builds up the probable costs from zero rather than from current cost levels.

## Hungarian – English Glossary of Economic terms

adó	tax
adóköteles	taxable, subject to tax
adólevonás	tax deduction, deduction for tax
adós	debtor
adósság	debt
adóslevél	debentures, note
adókvetés	assessment
alap	provisions
aktívák	assets
azonnali fizetés	prompt payment
árengedmény (azonnali fizetésnél)	cash discounts for prompt payment
árengedmény (nagy mennyiség esetén)	rebate
árcsökkenés	allowance
állóeszköz	fixed assets
állóeszközkiselejtezés értéke	salvage value
árbevétel	revenue
átvehető	receivable
átvitt összeg (egyik számláról a másikra)	amount carried forward
akit illet	to whom it may concern
akkreditív	documentary credit
akkreditív összegét csökkenteni	to reduce the amount of the credit
akkreditív összegét emelni	to increase the amount of the credit
aláírásra jogosult	authorized to sign
alaptőke	capital, registered capital, capital stock, share capital
államadósság	national debt, state debt
állami bank	state bank
Állami Biztosító	State Insurance Enterprise
államkölcsön	state/government loan
államkötvény	government security, government bonds
állomány (készlet)	stock, store
állomány (pénztáré)	cash in hand
anyagi helyzet	financial situation/circumstances
anyavállalat	mother company, parent company
árajánlat	offer, bid
árlista	price list
aukció, árverés	auction
árfolyam	rate of exchange
árfolyamemelkedés	increase in rate, rise of rate
árfolyamesés	fall of rate, decline of rate
átalány díjtétel	flat rate
áthozat	brought over, brought forward
átruházni	to transfer to sy, to assign to sy
átutalás	remittance, transfer
átváltható	convertible
átvételi elismervény	receipt, delivery certificate
avalizálni	to countersign as guarantors and payers for the
acceptor	
bánatpénz	bid bond, earnest money
bankbetét	bank deposit
bankfiók	branch, office
bankgarancia	bank guarantee
bankhitel	bank credit, banker's facility
bankjegy	banknote, bank-bill
bank-kamatláb	bank-rate
bankkölcsön	bank loan

bankköltségek	banking charges
bankkövetelés	bank balance, credit at the bank
bankmérleg	balance sheet of a bank account
bankszámla	account
bankszámlával rendelkezni	to keep an account with sy, to have an account with a bank
bankzárlat	closing of banks
befektetés	investment
befejezetlen termék	work in process
befizetést teljesíteni	to effect payment
befolyt összeggel a számlát elismerni	to credit an account with a sum collected
behajtani	to collect
bejegyzett cég	registered company, incorporated firm
bemutatóra szóló részvény	bearer share
bemutatóra szóló részvény (címén vminek)	by virtue of sg
behajtható	collectible
beszerzések	acquisition
behajthatatlan	uncollectible
becslési tartalék	valuation reserves
bevétel	income, takings
bizonyítani	to evidence
biztosítási díj	insurance premium
benyújtani	to present, to submit
benyújtás	presentation
bérmentesítés nélkül	freight unpaid
bérmentesítve	freight prepaid
beruházni	to invest
beszedés (pénzé)	collection
beszedési megbízás	collection order
beszolgáltatni	to surrender
beváltani	to cash, to redeem
bevonni pénzt	to withdraw, to recall
bíróság	penalty, fine
bíróságot fizetni	to pay a penalty
bizalmi kéz	trustee
bizományos	agent, commission merchant
biztos befektetés	safe investment
biztosítás	insurance
biztosítási díj	insurance premium/fee
biztosítási költségek	insurance costs
biztosítást kötni	to effect an insurance
bruttó	gross
csekk	check, cheque
csekk-kártya	cheque-card
cégjegyzék	register of firms
cégtulajdonos	proprietor of the firm
csőd	bankruptcy
csődbe jutni	to go bankruptcy
csődeljárás	bankruptcy proceedings
csődtömeg	bankrupt's estate
csökkenés	decrease, reduction, fall
deficit	deficit, loss
deviza	foreign exchange
devizaárfolyam	rate of exchange
devizagazdálkodás	foreign exchange management
devizahiány	shortage/lack of currency
devizaállomány	available foreign exchange
devizakorlátozó rendszabályok	exchange control regulations

díjmentesen	free of charges
díjtétel	tariff, charge
dologi kiadások	material expenses
drága	expensive
engedményes	assignee
elfogadható	acceptable
eladási ár	selling price
eszmei vagyontárgyak	intangibles
eladósodás	indebtedness
egy éven belül esedékké váló	due within one year
elszámolási betétszámla	cash in bank
értékcsökkenés	depreciation, amortization
előny (anyagi)	advances
egyenleg	balance
egyetemes kezeség	joint security
egységár	unit price
eladás	sale
eladási feltételek	terms/conditions of sale
eladó	seller
elállni vmitől	to waive from sg.
elárverezni	to sell by auction
elégtelen fedezet	insufficient funds/cover
elértéktelenedés	depreciation, loss of value, devaluation
életbe lépni	to come into force
elévülés	obsolescence, lapse
elévült	obsolete, stale
elfogadhatatlan	unacceptable
elismerni (jóváírni)	to credit
elismervény	receipt, acknowledgement
előleg	advance, payment in advance
előszámla	pro forma invoice
előzetes fizetés	preliminary payment
elszámolás (számla rendezése)	settlement of accounts
emelni összeget	to increase
engedély	licence, permission
export	export
érték	value
értéken felüli biztosítás	over-insurance
értékesíteni	to sell, to realise
értékpapír	securities, bonds, share
értékszelvény	dividend warrant
értéktöbblet	surplus value
értéktőzsde	stock exchange
érvényes (pl. értékpapír)	valid, to be in force
érvényét veszteni	to lose its validity
érvényteleníteni	to invalidate
évi beszámoló	annual report/review
fedezet	contribution, funds, provision
fizetés	payment
fuzionált vállalat	consolidated company
fedezetlen	uncovered, unsecured
felár	extra/additional charge
felelősség	responsibility for sg.
felhatalmazás	authorization
felesleg	surplus
félkészáru	semi-finished goods
felmerülő költségek	charges incurred
feltétel	condition, terms

felülgarantálni	to counter-guarantee
finanszírozni	to finance
fizetendő	payable
fizetési haladék	payment extension/delay
fizetési kötelezettség	payment liability/engagement
fizetési megbízás	payment order
fizetéképtelen	insolvent, bankrupt
fizetetlen	unpaid, unsettled
fizető bank	paying bank
fizetőképés	solvent
fizetőképesség	solvency
folyósítani	to make payable, to order the payment
folyószámla	current account, banking account
folyószámla hitel	overdraft credit
folyószámla követelés	accounts receivable
folyószámla tartozás	accounts payable, book-debt
folyószámlát vezetni	to have/keep an account with a bank
forgalom	turnover
forgatni	to endorse
forgatmány	endorsement
forgatmányos	endorsee
forgató	endorser
fuvardíj	freight
garancia	guarantee
bánatpénz garancia	tender guarantee
előleg-visszafizetési garancia	advance payment guarantee
garancialevél	letter of guarantee
teljesítési garancia	performance guarantee
garanciát vállalni	to undertake a guarantee
garanciavállalás	undertaking of a guarantee
gazdasági fellendülés	boom
gazdasági válság	economic crisis
gazdaságos	economical, profitable
hasznos élettartam	service life
haszonbérlet	leasehold
haszonbérleti szerződés	leasehold deed
hitel	supplies, advances
hiány	loss
hitelfedezetül szolgáló tőzsdén jegyzett értékpapír	stock exchange collateral
harmadik fél	third party
határidő	term, date, time limit
határidős üzlet	termin
hiány	shortage
hitel	credit, facility
áruhitel	commercial credit
bankhitel	bank credit
hitelképes	creditable, creditworthy
hitelképesség	creditability, creditworthiness
középlejratú hitel	medium term credit
hosszúlejratú hitel	long term credit
rövidlejratú hitel	short term credit
hitellejrat	credit maturity
hiteltúllépés	overdraft
hitelt nyújtani	to grant credit
hitelesíteni	to legalize
hitelesített	authenticated
hitellel	letter of credit
hosszabbítani	to extend, to prolong

ingatlan (pl. telek)	real estate
ingatlan	intangibles
időbér	time wage
igazolás	certificate
igazolni	to certify
igazoló bank	confirming bank
igazolt	confirmed
illetékes	competent
import engedély	import licence
import korlátozások	import restriction
inkasszálni	to collect
inkasszó	collection
váltó	draft
intézkényezett	drawee
intézkényező	drawer
intézkényezni vkire (váltót, csekket)	to draw on sy
járadék	supplies
jogi személy	legal entity
jóváírni (számlán elismerni)	to credit
jóváírás	credit entry
jövedelem	income
jövedelemadó	income tax
juttatás	allocation
jó hírnév	reputation, fame
jóváhagyás	approval, confirmation
jóváírás	credit advice
jövedelem	income, earnings
jutalék	commission
jutalékot felszámítani	to charge commission
jutalékot téríteni	to pay commission
kamat	interest
kamatláb	interest rate, rate of interest
kamatmentes	free of interest
kamatok rendben befolyznak	interests are paid regularly
kamatos kamat	compound interest
kamatot felszámítani	to charge interest
kamatozó számla	interest bearing account
nem kamatozó számla	non- interest bearing account
kártalanítani	to compensate, to indemnify sy for sg
kereskedelmi számla	commercial invoice
készlet	stock, supply
készpénz	cash
készpénzfizetés	payment in cash, cash payment
kezelési költség	handling charges
kezeséget nyújtani vkinek	to grant a suretyship
kiegyenlítés	settlement, payment
kiegyenlíteni	to settle, to pay
kifizetendő	payable
kifizetetlen	unpaid
kiskereskedő	retailer
kivonat (összegezés, összefoglalás)	summary
kivonat (számla)	statement of account
klíring (valuta, számla)	clearing
kockázat	risk
kockázatot vállalni	to assume a risk
kockázat viselése	assuming of a risk
konvertibilis	convertible



KFT	limited liability company
kölcsön	credit
kötelezvény	promissory note
követel rovat	credit side
követelést behajtani	to collect claim
kifizetéseket visszatartani	to withhold
kifizetetlen	outstanding
kötelezvény	note
kinnlevőségek	receivables
közszolgáltatások	utilities
készletek	inventories
kétes számlák	doubtful accounts
kötvény	bond
kiegyenlítés	adjustment
közpénzek	common funds
kiadások/költségek	expenditures
lebegtetés (árfolyam)	floating
leértékelés (valuta)	devaluation
lehívás (összeg, pénz)	reimbursement
lejárat	expiry, validity
leszámítolás	discount, discounting
leszámítolási kamatláb	discount rate
leszámítolási költségek	discount charges
letét	deposit
látra szóló betét	demand deposit
leírás (számla)	write down
leányvállalat	subsidiary, associated co.
meghatalmazás	authorization
megelőlegezni	to negotiate
megterhelés	debit entry
negociálás (átruházás)	negotiation
nem átruházható (értékpapír)	not negotiable
nettó	net
nullára leírt (100%-osan amortizálódott)	fully depreciated
névre szóló részvények tulajdonosai	stockholders of record
nyereség	gain
nyilvántartani	to carry
nyitótétel	starting balance
nyereség	profit
nyugta	receipt
nyugta ellenében	against receipt
osztalék	dividend
oszthatatlan	indivisible
osztható	divisible
osztalékos részvény	equity
összeg	amount, sum
összesen	totally
összegek egyeznek	amounts agree
passzívák	liabilities
pénz	money
pénzalap	funds
pénzárfolyam	buying rate of exchange
pénzáttutalás	money transfer, remittance of money
pénzegység	monetary unit

pénzforgalom	circulation of money
pénzforrás	pecuniary resources
pénzváltás	exchange of money
pénzviszonyok	financial conditions
piac	market
pénzellátmány	supplies
prémium	bonus
pénzügyi támogatás	pecuniary assistance
pótlék	supplement, addition
ráfordítás, költség	costs
rendelés lemaradás	order backlog
ráterhelni vmire (számlára)	to charge to sg
rendelvényes	payee
rendezetlen (számla)	unsettled, outstanding
rendezni (számlát)	to settle
összeget lehívni	to reimburse, to draw
részvény	share, stock
részvényes	share-holder
részvénytársaság	joint-stock company, stock corporation
saját számlára	for one's own account
sima átutalás	remittance transfer, money order
specifikáció	specification
stornó tétel	reversal item
stornózni	to cancel, to revoke
számla	invoice, account
számlaegyenleg	balance of account
számlaegyeztetés	checking up
folyószámla	current account
függő számla	suspense account
hitelszámla	credit account
kamatozó számla	interest bearing account
kereskedelmi számla	commercial invoice
számla kiegyenlítés	settlement, settling
számlakivonat	statement of account
nem kamatozó számla	non-interest bearing account
számla összeg	sum of invoice
számla vezetés	keeping of an account
százalék	per cent, percentage
szavazati jogot biztosító részvények	common stocks, common shares
szerződő fél	covenant
számvitel	accounting
társulati adó	franchise tax
tartozás	debt
tartozás kiegyenlítése	settlement of a debt
tartozást elismerni	to admit a debt
tartozik oldal	debit side
teljesítés	fulfilment
teljesítési garancia	performance guarantee
tétel	item
terhelve	debited, charged
többlet	surplus
többszörös	multiple
tranzakció	transaction
tulajdonos	owner, holder
túlértékelni	to overvalue
túllépés (számláé)	excess, surpass

tárgy év	current year
tartalék	provisions
tartozások	liabilities
teljesítménybér	task wage
törzsrészvény (változó osztalékos)	equity
többlet	gain
utalvány	money order, warrant, assignment
ügynöki jutalék	agent's commission
ügynöki megállapodás	agency agreement
ügynökség	agency
ügynök	agent
üzlet	business
váltó	bill of exchange, draft
valuta	currency
valutaárfolyam	rate of exchange
vámszámla	customs invoice
végösszeg	total amount
veszteség (anyagi)	loss, deficit
veszteséges	showing a deficit, losing
veszteséget elszenvedni	to suffer losses
veszteséget fedezni	to cover losses
vételár	purchase price
visszaütalás	refund, retransfer
visszavonható	revocable
visszavonhatatlan	irrevocable
vállalatközi	intercompany
vállalati aktívák többlete a passzívákkal szemben	equity in assets
vagyontárgyak	assets
záloglevél	mortgage
zálogtartói nyilatkozat	trust receipt
zárolt számla	blocked account

## Hungarian – English Glossary of Financial Terms

adók	taxes
adók (nyereség után)	tax on profit on ordinary activities
adózás	taxation
adóhalasztás	deferred taxation
alapokba utalás (alap-, ill. tartalékképzés)	transfer to reserves; additions to untaxed reserves
alapok és a nyereség	capital and reserves
alaptőke (részvénytőke)	capital; called up share capital
anyag-és anyagjellegű költségek	cost of raw materials, consumables and supplies
állam által kibocsátott értékpapírok	government securities
állami támogatások	government grants
állóeszközök bruttó értéke	tangible fixed assets (cost and revaluation)
állóeszközök nettó értéke	tangible fixed assets (net book value)
álló eszközök nettó értéke és az érdekeltségek összesen	fixed assets, total (net book value)
árbevétel (nettó árbevétel)	turnover
árbevétel földrajzi régiók szerint	turnover by region
árbevétel szektorok szerint	turnover by business
átlagos állományi létszám	average numbers employed
bankköltségek (kamategyenleg)	interest (net)
bankszámlák, pénztár, külföldi fizetési eszközök	cash at bank and in hand
beruházások	payments on account and assets in course of construction
bér-és bérjellegű költségek	wages and salaries (excluding profit earning bonus)
bruttó eredmény	gross profit
egyéb kötelezettségek	other creditors
egyéb követelések	other debtors
egyéb, nem a nyereséggel összefüggő adók	other, non-income taxes
egyéb, a saját tevékenységgel összefüggő bevételek	other operating income
eredménykimutatás	profit and loss account
eszközök értéke az összes kötelezettség levonása után	total assets less total liabilities
érdekeltségek	investments
érdekeltségek eredményéből való részesedés	share of results of related companies
értékcsökkenési leírás (állóeszközöké)	depreciation of tangible assets
értékesítés elszámolt önköltsége és a fel nem osztott költségek	cost of sales + other operating expenses
értékesítéssel összefüggő adók nélkül	excluding sales-related taxes
értékesítéssel összefüggő költségek	distribution costs
értékpapírok	investments; current asset investments
éves nyereség	profit for the financial year
gépek, berendezések, járművek összesen	plant and machinery; plant and equipment; plant and vehicles
hitelek, kölcsönök	loans
hozzáadott érték adó	value added tax (VAT)
hozzáadott érték tábla	statement of value added
igazgatási költségek	administrative expenses
ingatlanok összesen (bruttó érték)	land and buildings (cost and revaluation)
ipari befejezetlen és félkésztermékek, építőipari befejezetlen termékek	work in progress

ipari késztermékek és áruk	finished goods and goods for resale
kamatbevétel	interest receivable
kamatköltség	interest payable
készletek összesen	stocks
költségvetési támogatások	government grants
kötelezettségek, tartozások (hitelezők)	creditors
követelések, kinnlévőségek (adósok)	debtors
mérleg (csoport, anyavállalat)	balance sheets (group, company)
megjegyzések a mérlegbeszámolóhoz	notes to the accounts
műszaki fejlesztési költségek	research and development costs
nyereség	profit
nyersanyagok	raw materials
nyitóállomány (állóeszközök alakulásánál)	balance at start of year
osztalékok (kifizetésre kerülő)	dividens payable
rendes tevékenység eredménye adózás előtt	profit on ordinary activities before taxation
rendes tevékenység eredménye adózás után	profit on ordinary activities after taxation
rendkívüli tételek	extraordinary items
részvények (jegyzett, nem jegyzett)	shares (listed, unlisted)
részvénytőke	share capital; called up share capital
szállítók követelései	trade creditors
tartalékok	reserves
társadalombiztosítási járulék	social security costs
társasági adó	corporation tax
üzemi eredmény	profit before interest; trading profit; operating
profit	
veszteség	loss
vevők tartozása	trade debtors
záróállomány (állóeszközök alakulásánál)	balance at the end of the year