

ANTITRUST QUIZ
FOR SALES PERSONNEL
(source: ABB, Antitrust Compliance, 2005)

For each of the following eleven situations, please indicate whether the Action Taken is either:

A (Acceptable)
U (Unacceptable)
Q (Questionable)

Situation One:

A relatively new customer calls to tell you that Jones Chemical Company is offering the products you are selling for four cents per pound less. He makes it clear that you must meet the price reductions or lose his business. You have a strong hunch the customer is not being straight about the price information.

Action Taken: You call a Jones Chemical sales rep you have met and ask only that he confirm (or deny) the prices quoted by your customer.

Answer:	<u>A</u>	<u>U</u> (circle one)	<u>Q</u>
----------------	----------	--------------------------	----------

Situation Two:

You have been trying to obtain business from ACME Corp. for three months. Taking advantage of a sales opportunity, you quote ACME a price on semi-solvent which is 1/2 cent less than current market price.

A few days later, your supplier, Dade Chemical calls and asks what solvent price you are quoting ACME. You are aware that Dade currently sells acids to ACME, but no solvents.

Action Taken: You tell the person from Dade Chemical the price you quoted ACME.

Answer:	<u>A</u>	<u>U</u> (circle one)	<u>Q</u>
----------------	----------	--------------------------	----------

Situation Three:

While attending a trade association meeting you run into an old High School friend. The friend has just recently become a sales rep with a competitor. The friend suggests you get together after the meeting for a drink.

Action Taken: You have a few drinks in the cocktail lounge. Your friend picks up the tab for “old times sake.”

Answer:

A

U

Q

(circle one)

Situation Four:

You receive in the mail a copy of a competitor's strategic sales plan. You didn't ask for this information. You suspect it came from a former sales rep who was recently fired from that company.

Action Taken: You highlight some of this information in your monthly call reports, but do not reference the source. At your boss' suggestion, you mail the original in a personal and confidential envelope to your regional manager.

Answer:

A

U

Q

(circle one)

Situation Five:

You run into one of your competitors, John Hagen, at lunch time and you decide to eat together. During the conversation, he mentions that Bendex Corp. requested a quote for products at their three newest locations. He is aware that Bendex has asked you to quote as well. Hagen suggests that his company is really only interested in the East side location business. He indicates they might be willing to forego quoting on the other two locations, if you would not quote the East. He points out that since there are several other companies who are also quoting, each of you would have “one less price to beat.”

Action Taken: You tell John Hagen that you'll think about it, but you really intend to quote all three locations.

Answer:

A

U

Q

(circle one)

Situation Six:

Three months ago, a competitor, Hawley Distribution Inc. announced a price increase on XYZ solvents. Your company immediately followed suit. Two days ago, Hawley stopped selling XYZ to a mutual customer, Stanley Printing. Stanley has been delinquent in its payments to all its suppliers/distributors (including you). This is a bad credit situation which is adversely affecting your sales figures. Despite your attempts to get Stanley to make payments, they keep failing to own up to what they agree to do.

Action Taken: You call the purchasing agent at Stanley and inform him that of next week, you will not ship off any more XYZ.

Answer:AUQ

(circle one)

Situation Seven:

A long term customer calls and says he wants to alter your current sales agreement. He'll buy 15% more product a year if you will charge him your established truck load price for his less than truck load purchases (approximately one out of every three orders will be LTL).

Action Taken: You calculate the business advantage and profitability and suggest to the customer you could agree to his proposal if the annual increase in product purchases were 18% (rather than 15%).

Answer:AUQ

(circle one)

Situation Eight:

During a break at a trade association meeting, several of the group you are with begin to discuss the problems with freight rate increases. Someone indicates that the "best solution is to have us all quote F.O.B. plant to our customers."

Action Taken: You listen, but do not participate in the discussion. You do not alter your current freight pricing strategy.

Answer:AUQ

(circle one)

Situation Nine:

Popgun, Inc. sells a unique line of quality handguns to dealers. The extraordinary demand for these handguns exceeds production, and it is necessary for Popgun, Inc. to allocate its available production among all dealers. Business for these handguns is so good, in fact, that Popgun, Inc. decides to sell these handguns only to dealers who also agree to purchase ammunition and accessories in quantities Popgun, Inc. deems appropriate.

Answer:

A

U

Q

(circle one)

Situation Ten:

Coal Company, Inc., signed a contract whereby it agreed to deliver Utility, Inc. its total requirements of coal for a 20-year period. The estimated value of the contract was \$128,000,000.00.

Answer:

A

U

Q

(circle one)