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YOUR COMPANY

- **Name:** Laïta
- **Activity:** dairy products
- **Legal status:** Cooperative
- **Brand you represent:** Paysan Breton
- **Number of employees in France:** 2,800
- **Number of member farmers in France:** 7000
- **Head office:** Brest
- **Turnover:** 1,3 billion €
- **Address:** 4 rue Henri Becquerel, 29200 Brest

HISTORY:

Laïta is a Breton company founded in 2009 and resulting from the regrouping of the dairy activities of the 3 Breton cooperatives: Even, Terrena and Triskalia. Being agricultural cooperatives, it is the farmers who own them equally. Laïta represents the dairy farmers of Brittany. It recovers, transforms, produces and markets dairy products in France, but also in over 110 countries around the world.



The company's flagship brand is Paysan Breton, created in 1969 by Triskalia (but now managed by Laïta). It is the n ° 1 food brand in Brittany. We find under this brand butter, cheese, pancakes, ultra-fresh, and milk.

WHAT DOES PAYSAN BRETON MEAN?

"Paysan" for Farmers.

For our farmers, who gathered over 45 years ago to create the brand, and who still own it today.

"Breton" for Brittany.

For our region in the heart of Western France where the flagship brand of Laïta cooperative was born

- Owned by farmers
- Deep-rooted authenticity
- Know-how inherited from tradition
- A wide range of dairy products

THE NEGOTIATION CONTEXT:

You were hired at Laïta in the export department of Paysan Breton 6 months ago. You therefore represent the Paysan Breton brand. You are responsible for assisting the export director of Paysan Breton's Europe zone. Paysan Breton is already present on the British market but your products are weakly referenced by Tesco. Your manager therefore asks you to reference ten products in all stores, not to exceed your promotion budget of £ 25,000 by more than 15% and ideally to obtain 4 weeks of separate promotions. You contacted Tesco's purchasing department by email and made a date. You will therefore go to London and meet with Tesco's purchasing department in order to reference this new range. Your supervisor draws your attention to the fact that your interlocutor is fighting for ever lower purchase prices, be vigilant.

Note: The health situation of Covid-19 will not be taken into account during the negotiations, since supermarkets remain open everywhere in Europe.

THE PROSPECTIVE CUSTOMER: TESCO

- **Name:** Tesco
- **Activity:** Mass retailing
- **Legal status:** PLC (public limited company)
- **Number of employees in UK:** 450 000
- **Number of stores in UK and Ireland:** 3780
- **Turnover:** 70 billion £
- **Head office:** Hertfordshire, UK
- **CEO**: David John Lewis

Tesco S.A. is a famous British retail group, founded in 1919 by Jack Cohen. It is an international distribution group based primarily in the UK and Ireland. Tesco is one of the UK's largest retail groups with 3,400 stores.

STORES:

Tesco: 28% market shares and 3,400 stores in UK + Ireland

• 1,740 Tesco express (216 m2 on average)

• 780 One stop (151 m2 on average)

• 479 Tesco superstores (2,730 m2 on average)

• 252 Tesco extra (6,543 m2 on average)

• 176 Tesco metro (1052 m2 on average)

THE DAIRY PRODUCT MARKET IN UK

Today, the consumption of dairy products in Great Britain is growing, and new trends are taking shape in the dairy market. Currently, three major trends guide the consumer and continue to weigh heavily in the purchasing decision. The first trend is the search for products that facilitate consumption, through formats in which the product is easy to handle or is ready to eat or to prepare easily. The food-health pairing continues to be very present in the minds of consumers. However, the vector of pleasure is particularly relevant in certain categories, such as during meals with family or friends.

THE COMPETITION

Here are French competitors who can set up in the same stores as you. Competition from the country in which you are operating is not mentioned, since you are establishing yourself in a new market with a "made in France" positioning to defend. Dairy products are consumer products, and are in the grip of strong competition, in particular from Lactalis (President, Lactel), Sodiaal (Yoplait, Entremont, Candia), Savencia (St Agur, Tartare), Eurial (Soignon).

THE STRATEGY

The dairy product market is changing rapidly. With ever increasing consumer demand to consume healthier, more environmentally friendly and more profitable products from dairy farmers, Paysan Breton continues to innovate. The recipes are worked on every year to always adapt to the tastes of consumers on innovations. For the brand's flagship products, such as semi-salted molded butter or plain Mrs. Loïk, Paysan Breton is investing heavily in communication in France (Television, billboards, etc.) to support the growing demand for these products. Product packaging is continuously worked on to be the most respectful of the environment, while taking into account health and economic requirements.

TOOLS AND COMMERCIAL DISCOUNTS

Paysan Breton is a well-known and emblematic brand in France for mass distribution in dairy products and aims to become so abroad. This market segment is in the grip of severe competition, so sales promotions and on-shelf events are key. However, these promotions have a cost, borne and financed by Paysan Breton.

TOOLS:

Annual discount Budget: 25 000£ on 12 months (+/- 15%)

Category	**Amount**	**Efficiency**
In-store animator	150£ /day	+20% sales a day
Crêpes discount box	50£/unit	+25% sales a week
Refrigerated fresh product box	1000£/ week	+45% sales on the discount week
Immediate discount ticket booklet	200 x 10 pence or 100 x 20 pence	+10% sales

IN-STORE ANIMATOR:

A person will be, during a predetermined day, dressed in the colors of the Breton peasant, and will promote the products, offering products from the range to customers on the shelves.



CRÊPES DISCOUNT BOX:

During promotional periods, boxes are installed in the central aisle, with offers of discount on crêpes.



REFRIGERATED FRESH PRODUCT BOX:

During promotional periods, boxes are installed in the central aisle, with offers of reductions on pancakes.



IMMEDIATE DISCOUNT TICKET BOOKLET:

Reduction ticket books are made available to department managers to boost sales of promoted products.

COMMERCIAL DISCOUNTS:

Products	**Minimum quantity to get the discount**	**Maximal discount**
Butter	7 000 tons	-15% max.
Madame Loïk	3 000 tons	-10% max.
Emmental	5 000 tons	-10% max.
Lait Ribot	2 000 tons	-5% max.
Crêpes	2 000 tons	-10% max.

THE PRODUCTS OF THE RANGE

BUTTERS



Beurre doux moulé 500g

4,55£



Beurre demi-sel moulé 500g

4,57£



Beurre au sel de Guérande moulé 500g

4,54£



Beurre doux moulé 250g

2,18£



Beurre demi-sel moulé 250g

2,19£



Beurre au sel de Guérande moulé 250g

2,31£

WHIPPED CHEESE



Madame Loïk Nature 320g

2,17£



Madame Loïk 180g

1;72£



Madame Loïk échalote ciboulette 150g

1,72£



Madame Loïk ail et fines herbes 150g

1,77£



Madame Loïk noix figue 150g

1,71£

GRATED EMMENTAL



Emmental râpé spécial pizza 200g

2,01£



Emmental râpé sel réduit 150g

1,19£



Emmental râpé 150g

1,17£



Emmental portion 220g

2,00£

LAIT RIBOT



Lait ribot 1 l

1,41£



Lait ribot BIO 1 l

1,47£



Lait ribot 0,5 l

1,01£

CRÊPES



6 crêpes fourrées chocolat 180g

1,83£



6 crêpes fourrées fraise 180g

1,91£



6 crêpes fourrées caramel au beurre salé 180g

1,91£



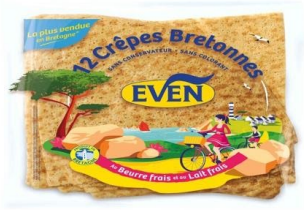
6 crêpes l'Authentique 185g

1,33£



12 crêpes l'Authentique 370g

2,57£



12 crêpes Even 350g

2,02£

ORDER FORM

Reference	Quantity in kg	Unit price excluding taxes	Total price excluding taxes

SALES CONTRACT:

Between the undersigned :

Laïta company, represented by M./Mme. _____ [name and capacity], and Mr./Mrs. _____ [name and position],

Hereinafter referred to as "the Manufacturer",

Firstly,

And

The Tesco company, represented by M./Mme. _____ [name and capacity], and Mr./Mrs. _____ [name and position],

Hereinafter referred to as "the Distributor",

(The manufacturer and the distributor hereinafter collectively referred to as "the parties")

On the other hand,

Preamble

The manufacturer is a company specializing in the manufacture of various products and wishes to ensure the distribution of all (or part of) hereafter described by the order file;

The parties wish to confirm their agreement in writing;

Considering that the parties have the capacity and the quality to exercise all the rights required for the conclusion and the execution of the agreement recorded in this contract;

Article 1 - Preamble

The preamble is an integral part of this contract.

Article 2 - Purpose

The manufacturer grants the distributor the right to distribute for the purpose of resale the products described in the order file linked to this contract (hereinafter referred to as "the products") on the Internet, from their distribution network;

Article 3 - Obligations of the Distributor

3.1 Specific obligations

The distributor undertakes to the Manufacturer to provide the following service (s):

a) Resell the products ordered at the price determined in the order file linked to this contract;

b) The Distributor undertakes to make every effort to promote and develop product sales on their distribution network;

Article 4 - Manufacturer's obligations

a) It guarantees that the products will be marketable products of good quality.

b) He undertakes to provide the Distributor with all the technical and legal information that the latter deems necessary for the marketing of the products, as well as all documents relating thereto.

c) He undertakes to provide, at the request of the Distributor, and at the expense of the latter, technicians chosen by the Distributor, who have received the most complete training possible from the Manufacturer.

d) If, for any reason, this contract should terminate, the Manufacturer shall be bound to purchase from the distributor its stocks of products at the price at which the latter purchased them, provided that they are not in any way committed.

Article 5 - Use of the mark

The Manufacturer grants the distributor the right to sell its products under its brand. The use of the mark by the Distributor during the term of the contract is strictly limited to the subject of this contract.

Article 6 - Confidentiality

The distributor undertakes not to disclose any technical, commercial or financial information of which it may become aware during the execution of this contract.

Article 7 - Orders

Provided that the Distributor has fulfilled all the obligations defined by this contract, the Manufacturer will fulfill all reasonable orders placed by the Distributor. The Manufacturer will make every effort to fulfill all orders accepted within the time limits mentioned in these orders.

Article 8 - Intellectual property

The Manufacturer remains the owner of the intellectual rights relating to the products (brands, logos, designs, etc.) entrusted to the distributor.

The elements relating to the products must be entirely original and not infringe any copyright, any trademark or any other right, title or interest of intellectual property, belonging to any third person.

Article 9 - Transfer of title and risks

The products will be sold and delivered FOB from the Manufacturer's factory completely packaged so as to allow their transport without risk of deterioration or damage.

As regards the transfer of title and risk, this will take place during transport from the Manufacturer's plant, as soon as the products have left the Manufacturer's plant.

The Distributor will bear the costs of transport and insurance and in particular undertakes to take out sufficient insurance to cover the risks of transporting the products.

Article 10 - Price and terms of payment

10.1 Payment terms

The Distributor must pay the manufacturer the price of the products purchased within 20 days of the date of the invoice for said products. However, the Manufacturer reserves the right to modify these terms of payment from time to time, following a notice sent to the Distributor, in relation to the products ordered by the latter after receipt of said notice.

10.2 Purchase price and discounts

The distributor is entitled to a reduction of ____ percent (____%) on the purchase price of products for which the price list currently in force is appended to the “order file” of this contract.

10.3 Applicable sales taxes

The price purchase payable by the distributor is subject to the various applicable sales taxes and to any other tax that may become applicable in the future.

Article 11 - Duration of the contract

This contract is concluded for a period of one year. It will take effect on 03/11/2021 and will end on 03/10/2022.

Article 12 - Termination of the contract

12.1 The Manufacturer shall be authorized to terminate this contract by registered letter with acknowledgment of receipt immediately and without delay in the following cases if:

a) the Distributor did not comply with one of the obligations of the contract;

b) the Distributor chose the products of the resellers without the consent of the Manufacturer;

c) the Distributor did not purchase the quantities required by article 11.

Article 13 - Applicable law. Original text

The contract is governed by the law of the country where the Manufacturer has its registered office.

All disputes arising from or relating to this contract will be settled definitively according to the Conciliation and Arbitration regulations of the International Chamber of Commerce without any recourse to the ordinary courts, by one or more arbitrators appointed in accordance with these regulations and whose the award is binding. The arbitral tribunal will be the judge of its own jurisdiction and of the validity of the arbitration agreement.

Done on _____ at _____ in 4 (four) copies.

The manufacturer

_____

The distributor

_____