

When International Buyers and Sellers Disagree

The American exporter was contracted to ship "30,000 lbs of frozen US pork livers, customary merchantable quality, first rate brands." The shipment had been prepared to meet the exacting standards of the American market, so the exporter expected the transaction to be completed without any problem. But when the livers arrived in Germany, the purchaser raised an objection: "We ordered pork livers of customary merchantable quality -- what you sent us consisted of 40 percent sow livers."

"Who cares about the sex of the pig the liver came from?" the exporter asked.

"We do," the German replied. "Here is Germany we don't pass off spongy sow livers as the firmer livers of male pigs. This shipment was not merchantable at the price we expected to charge. The only way we were able to dispose of the meat without total loss was to reduce the price. You owe us a price allowance of \$1,000."

The American refused to reduce the price. The determined resistance may have been partly in reaction to the implied insult to the taste of the American consumer. "If pork livers, whatever the sex of the animal, are palatable to Americans, they ought to be good enough for anyone," the American thought.

It looked like as if the buyer and seller could never agree on eating habits.

What would you do if you were in this situation?