

Your younger brother, now studying overseas, has asked you to sell his car, a 1993 Volkswagen Golf Rabbit. This particular vehicle is a 4-door sedan. The car body shows its age with rust spots on the trunk and small dents here and there, but your brother has taken meticulous care of the engine and the car is in excellent operating condition. The odometer reads 46,231 kilometres, but it's likely to have "flipped over" a few times, given the car's age. Knowing that used car purchasers are greatly influenced by exterior appearance, you wish your brother had spent more time polishing, but you realize that making major improvements in the body now would cost more than would be recovered by the increased selling price.

You have researched the market, but given its age, its value does not appear in car magazine lists. Very few Golf Rabbits are listed in the Want advertisements. Apparently, Rabbits have little current appeal to collectors. Your insurance agent informs you that his company places a collision damage limit of €600 on the car, assuming it is in "good" condition (which it is not). You went to a local car-recycling operator who offered you €300, explaining that the only likely market for the car is for its parts.

Hoping to find a buyer who would be interested in the car for its functional value, you placed an advertisement in the local newspaper. Three people came by to look at the car, but you did not receive an offer from any of them.

Wanting to bring the matter to a rapid close, you called all three prospects earlier today. You told them you had an offer for the car and intended to sell it if they were no longer interested. Only one of the prospects still expressed an interest and stated that he would come by to see you later today.

This remaining prospect has already inspected the car. He spent a good deal of time examining the engine. He did not seem overly concerned about the body, which you considered a good sign. He asked for a price, you asked him for an offer, and he responded that he would have to think about it.

You are reasonably sure that you will find no other prospects. You will sell the car to the car-recycling operator for €300 tomorrow if you cannot close a deal today.

This person is arriving soon.

IMPORTANT:

Upon completion of the negotiation, whether you reach an agreement or not, do not exchange information pertaining to your side of this negotiation with your opponent.

Do not discuss your settlement price with other participants.