

## PhR 2019 Philological Readings

### SUPPLY AGREEMENT IN THE ENGLISH DISCOURSE OF THE OIL AND GAS INDUSTRY

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#### *Abstract*

The purpose of the research is to summarize the linguopragmatic features of the supply agreement functioning in the English discourse of the oil and gas industry. Using the continuous sampling method, we examined the contexts of the supply agreement and identified its main characteristics. Dealing with linguopragmatic features of the supply agreement textual and discursive parameters of the supply agreement were identified as well as the communicative strategies realizing pragmatic potential of the text under study. The results of the study showed that a clear structure of the supply contract provides the recipient with the most favorable conditions for its perception and understanding, thereby achieving its integrity and coherence, as well as producing its communicative and pragmatic effect. The importance of graphic design of the supply agreement is noted. The language of the supply agreement is formal, complete, clear, specific, correct and concise. Efficiency of communication is realized in the supply agreement through clear words, phrases and paragraphs, where the parties to the agreement explain their intentions and objectives. The study shows that an adequately chosen form allows the speaker to achieve the communicative effect to which the participants aspire. The process of communication depends on the chosen strategy of speech behavior. Communicative strategies realized in the supply agreement add to the pragmatic affect and result in effective communication.

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## 1. Introduction

The development of communicative and pragmatic approach to the language study, as well as anthropocentric trends in modern linguistics has led to interest in the diversity of the real subjects of speech activity, the conditions and methods of its implementation in the language. Entering into communication, participants of communication are focused on its success, they seek to realize their intentions and, as a result of it, are compelled to select and structure language signs. The language with its inherent diversity offers a whole paradigm of constantly implemented communicative forms of sentence, the components of which, depending on the communicative situation to varying degrees ensures the achievement of the intention. The adequately chosen form that allows the speaker to achieve the communicative effect is of particular concern. Success or failure of communication in general depends on it. Business sphere of communication need to find ways to make communication efficient maybe even more than any other.

Communication in the subject area *business* is a text-based activity. It aims at perception, processing, transmission, storage and use of information at various stages of a business transaction which consists of several levels: planning, procuring and implementation of the final text, evaluating the results of the business activities. The main structural unit of communication in the sphere of *business* is a business text that implements a certain situation of communicative interaction of business communication participants – business discourse. Discourse of the oil and gas industry is a status-role relation, which is aimed at achieving certain goals. As a rule, such relations are expressed in the organization of negotiations, contracts, business correspondence, and treaty agreements which are of particular concern in this paper. Effective business interaction is a key factor in successful sales management activity. Participants of business interaction, business partners, are sides of the treaty agreement. In the process of speech communication cognitive, linguistic, pragmatic, genre and socio-cultural competences are integrated into a complex, which forms a single whole – communicative competence of a businessman.

Pragmatic aspect of business communication becomes the decisive factor in the choice of language means used in speech communication. Effectiveness and efficiency of business communication plays an important role in achieving success. The theory of business discourse is one of the rapidly developing areas of linguistics (Anisimova, 2000; Bargiela-Chiappini, Nickerson, & Planken, 2013; Danyushina, 2015; Grice, 1975; Gurieva, 2003; Nickerson & Planken, 2015). However, many characteristics of this type of discourse remain poorly understood.

## 2. Problem Statement

In recent years, there has been an increasing interest in contracts, business plans, and business letters studying. But a comprehensive analysis of the texts of the supply agreements with the purpose of clarification of their pragmatic and semantic features has not been conducted so far. Research to date has not yet determined the supply agreement of oil and gas as a communicative act and an integral part of business communication. This research seems to be significant due to the necessity to determine linguopragmatic factors influencing the efficiency of business communication in English oil and gas

supply agreement. Moreover, it is necessary to consider the peculiarities of the textual features of the supply agreement in the English discourse of oil and gas industry.

These problems have become particularly important since the involvement of discourse in the circle of research interests - the process and product of cognitive, social and communicative human activity. Discourse analysis is not just aimed at studying the structure of the text, it is intended to identify the implied meanings and opinions expressed by these structures. In order to show how these subscript values relate to the text, it is necessary to analyze the cognitive, social, economic and cultural contexts of the document.

### **3. Research Questions**

In the course of our study, the following questions arose:

- What are the features of the communicative act in the field of business? Are there peculiar characteristics describing supply agreement as a communicative act?
- What are textual and discursive parameters of the English supply agreement? How do these add to the efficiency of business communication?
- Which linguistic means in the text of the English supply agreement contribute to persuasiveness and realize the intentions of the participants of the agreement?

### **4. Purpose of the Study**

This paper attempts to show the linguopragmatic features of the communicative act "supply agreement" in the English discourse of the oil and gas industry. To achieve the purpose of the study we set the following tasks that were to be solved:

- characterize the communicative act in business communication and find out the characteristics of the supply agreement as a communicative act;
- point out essential features of the discourse of the oil and gas industry;
- analyze textual and discursive features of the English supply agreement pointing out how they add to the efficiency of the business communication;
- identify and describe leading communicative strategies of the parties in the English supply agreement.

### **5. Research Methods**

To describe the particular methods used in the research we should mention that a considerable amount of literature has been published on the theory of communication and a communicative act. These studies represent methodological basis of our research in the field of theory of discourse (Arutyunova, 1990; Chernyavskaya, 2015; Karasik, 2002; van Dijk, 2006, 2017), business discourse (Anisimova, 2000; Bargiela-Chiappini et al., 2013; Danyushina, 2015; Gurieva, 2003; Malyuga & Tomalin, 2017); theories of speech genres (Dementev, 2017); pragmatics (Leech, 2016); communication theory (Issers, 2015; Sternin & Bykova, 2016).

In the research we used 55 texts of the English supply agreements taken from the Internet sites of 15 organizations working in oil and gas refining industry in Europe and America ("Rosneft", "LUKOIL", "Gazprom", "Bashneft", UK "ExxonMobil", "Chevron", "British Petroleum", and «PDVSA-PETRÓLEO»). To begin with the qualitative analysis has been carried out to deal with structure and cohesion of the text, trying to point out general model of the text under study. The next step was to describe discursive parameters of the samples, which were classified according to the participants, chronotope, and genres. Finally, the analysis of the communicative strategies was to be carried out to find out the way they add to the efficiency of business communication in supply agreement.

## 6. Findings

The first set of questions aimed to characterize the communicative act in business communication and find out the characteristics of the supply agreement as a communicative act as well as describe the discourse of the oil and gas industry. To answer them we should report that actual processes of business communication are difficult to organize thus being characterized by simultaneous interaction of not only two, but many participants – parties of the supply agreement, each of which has its own, inherent features of social, mental, socio-psychological, etc. intentions, has its own motives, needs and goals in communication. Communication act "supply agreement" is functioning in business communication, which is carried out in the official (formal) or informal (informal) types of situations. The diversity of business communication process necessitates a comprehensive approach to its analysis.

Based on the above mentioned theories and methods, we define business communication as a variety of all types of speech activity, the essential features of which is the receipt, processing, transmission, storage and use of information at various stages of a business transaction. Participants of business interaction, business partners, are involved in the process of business communication, which turns out to be a conscious, intentional transfer of information. It should be noted that the structure of the supply agreement has its own style and design, which must be followed in order to comply with all of the above mentioned conditions.

The discourse of the oil and gas sector is a status-role relation, which is aimed at achieving certain aims. As a rule, such relations are expressed in the organization of negotiations, contracts, business correspondence, etc., which is a supply agreement in the case of our research. And the discourse of the oil and gas sector is understood as the interactive cooperation of participants in the field of financial (sale, transaction) relations, which correlates with the ideas of institutional discourse (Karasik, 2002).

In relation to our research, the main participants in the discourse of the oil and gas industry, who are responsible for the signing of contracts, are managers, administrative and financial workers, lawyers, secretaries and other specialists. There emerge seller-buyer relationships, when the contract is signed in order to purchase or sell goods, gas, oil, petroleum products.

Having analyzed samples of English supply agreements we have come to the conclusion that the chronotope of the discourse of the oil and gas industry has clear boundaries. The time factor plays a crucial role in business relations and is strictly established in the framework of contracts, contracts, period reports, and supply agreements as well. The general purpose of the oil and gas discourse is to establish and maintain partnerships aimed at profit. Genres of oil and gas discourse can be distinguished as follows:

supply agreement, contract, business plan, business letter, etc., which are closely related to the strategies and nature of the activities of the participants of the communication.

The current study found that while characterizing textual and discursive parameters of the supply agreement it is necessary to point out obligatory elements in its structure. Having analyzed 55 sample texts of English supply agreements it is possible to single out the following basic compositional elements:

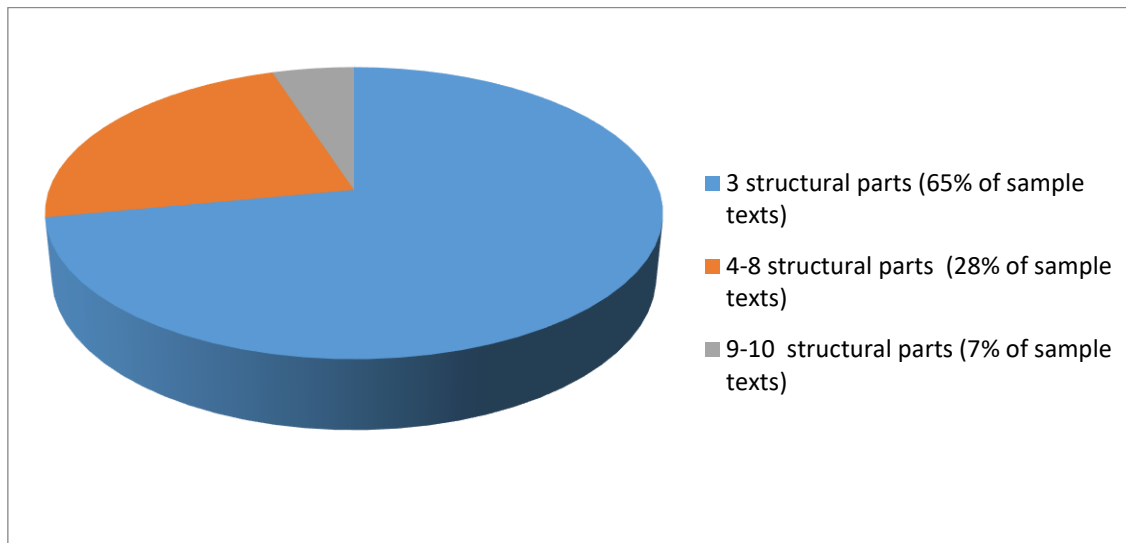
1. Introduction, which contains information about the parties to the agreement, information about the seller and the buyer, which are organized as follows: *"1. SELLER / BUYER represented by the General Director Mr., acting on the basis of "Articles of association..."*. It also specifies the subject of the contract: *"SALES of CRUDE OIL"*.

2. The main part includes information about the quantity and quality of the gas or oil products: *"the quantity of the Goods delivered within the framework of the present Contract is up to..."*, the quality of the goods must be confirmed by a special certificate *"The quality of the Goods sold under the present Contract should be in full conformity with the real data of the "Specification" 1 to the present Contract"*. This is followed by the terms of the contract *"the terms of delivery of the Goods applied to the present Contract are in conformity with the "INCOTERMS - 2000" and its latest amendments."* The price of product: *"The price per barrel of the Goods is established in the US dollars..."*.

The terms of sale of crude oil are noted as follows: *"Beginning the Effective Date and within the period of life of the Agreement the Supplier agreements to sell and deliver to Company, and Company agreements to purchase Crude Oil in quantity barrels metric tons"*.

3. In conclusion, the legal addresses of the parties and the signatures of both parties are indicated: *"Signed for and on behalf of /Managing Director/"*. This section specifies the exact postal addresses and bank details of organizations, signatures of persons who participated in the contract, or representatives of companies.

The material of the research allowed us to highlight some optional parts in the structure of the supply agreement which indicates the tendency to variability in English discourse of oil and gas industry: the details of the agreement; preamble (introductory part) of the agreement; subject of the agreement; terms and order of delivery; quality and completeness; packaging and labeling; price and payment procedure; liability of the parties; term of the agreement; change and termination of the agreement; dispute resolution; final provisions; details and signatures of the parties. Figure 1 illustrates the frequency of the optional elements in the text of the English supply agreement.



**Figure 01.** Frequency of the optional elements in the text of the English supply agreement

The current study found that one of the parameters of the English supply agreement is the presence of graphic techniques, such as paragraphs, numbering of parts, changing the font and the introduction of the titles of agreement annexes. The relevance of the research work is achieved by the need to highlight the regularity of the graphic organization of the supply contract and to determine the pragmatic effect of the use of non-verbal means. Thus, in the text of the supply agreement signed by the Venezuelan oil company "PDVSAPETRÓLEO" the following graphic features were found. First, the choice of the font is important as well as the design of any document. After all, it meets its readability and efficiency: "RECITALS WHEREAS, **NuStar Asphalt Refining, LLC**, a Delaware limited liability company and an affiliate of Buyer ("NAR"). In this example, the title is in bold to focus on what will be discussed in the passage. What is more, introductory words in a paragraph are given in capital letters so as to be easily read and clearly understood.

The practical significance of the study is determined by the fact that the incorrect design of the graphic organization of the English text of the contract can lead to unreadable text of the supply contract and the inefficiency of the communicative act.

Communication can be effective or ineffective, depending on the proper strategy and tactics, where the overall planning of communication based on the current situation and the purpose of communication can be focused on the appeal to the emotional or rational side of the addressee, or affect it by a combination of rational and emotional arguments. Based on the classification of communicative strategies (Grice, 1975), we have identified extra communicative, dictal and modal strategies in the text of the English supply agreement.

Extra communicative strategy renders the situation in context which is sufficient for understanding and interpreting thus adding to the efficiency of the communication: "During the term of this Contract, the Parties may from time to time negotiate the Commercial Terms and Conditions of a Transaction to meet BUYER's requirements for Product during a proposed Transaction Period". Dictal strategy informs about the events and facts: "...each party irrevocably submits to the non-exclusive jurisdiction of the federal and state courts located in Dade County, State of Florida, waives any objection which it may have

to the laying of venue of any Proceedings brought in any such court, and waives any claim that any such Proceedings have been brought in an inconvenient forum... ". Modal strategy reveals the feelings, goals, preferences of communicants: "*SELLER shall obtain the necessary import license(s) for the importation of Product into the United States if applicable to any specific sale or delivery of Product to BUYER. SELLER shall, if requested by BUYER provide BUYER with a certificate of origin for the Products. SELLER's breach of this provision shall entitle BUYER to reject the Products and SELLER shall compensate BUYER for all resulting damages*". The presented fragments of the discourse demonstrate requests; this effect is achieved by using modal verbs "shall". The research shows that the chosen strategy includes planning the process of speech communication depending on the specific conditions of communication and the personalities of the communicants, as well as the implementation of the intention.

## 7. Conclusion

This study set out to consider linguopragmatic features of the communicative act "supply agreement" in the English discourse of the oil and gas industry. This study has found that generally the supply agreement in business communication is an integral part of a relationship between the two companies, since the written form of communication determines the effectiveness of a business process. Business communication is a conscious, intentional transfer of information in the process of business cooperation.

The present study provides the first comprehensive assessment of the supply agreement in terms of textual and discursive characteristics, functioning in the English discourse of oil and gas industry. This sphere of discursive relations is characterized by the establishing financial relations between the participants at a definite period of time, fixed in written form. The form of the text is clearly organized, having 3 to 10 parts as the material showed. This is a sign of variability in the structure of a supply agreement. The obligatory parts are the introduction, which contains information about the parties to the agreement, information about the seller and the buyer; then goes the main part giving includes information about the quantity and quality of the gas or oil products; finally there is the conclusion with the legal addresses of the parties and the signatures. Some peculiarities in graphic techniques, such as paragraphs, numbering of parts, changing the font and the introduction are there in the supply agreement to enhance the pragmatic effect and attract attention. Business text architectonics is one of the means to optimize the process of effective business communication.

The results of the research showed that a clear structure of the supply agreement provides the recipient with the most favorable conditions for its perception and understanding, thereby realizing its integrity and coherence, as well as producing its communicative and pragmatic effect. In the course of our study, we analyzed the supply agreement in the English discourse of the oil and gas industry. It was found that the contract is structured, and in its preparation it is necessary to adhere to the clarity that can be achieved with the help of simple short words, phrases and paragraphs, where the parties to the contract explain their intentions and objectives. The clarity of any arguments actually determines the success of business communication in English. Communicative strategies chosen according to the purpose of the supply agreement itself dictate the success of the contract realizing its pragmatic effect.

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