

## CHAPTER 4

### ORDER LETTERS AND ACKNOWLEDGEMENT LETTERS

#### Outline

1. Characteristics and Organization of Order Letters
2. Characteristics and Organization of Acknowledgment Letters
3. Grammar review: Past Tenses

#### Main Ideas

1. Order letters are letters that order merchandises after receiving product description, price list, and terms of payment. Most companies have order forms for customers' convenience and time saving. Order letters must be clear, concise, and complete.

2. Acknowledgment letters are letters that formally acknowledge orders received and specify delivery date, transportation mode, and suggest alternatives in case orders cannot be filled. Acknowledgment letters are clear, complete, and courteous.

3. Past Tenses are useful elements of grammar that enhance an effective business writing style.

## **Objectives**

### **Students are able to:**

- 1. Write order letters with clarity, conciseness, and completeness.**
- 2. Write acknowledgment letters with clarity, conciseness, and courtesy.**
- 3. Use past tenses correctly in writing business correspondence.**

An order letter is a type of business correspondence that you, a business letter writer, have to deal with frequently. Although ordering merchandises can be managed through the use of telephone, telegram, or fax, the art of writing an order letter is a necessary skill. If the company/supplier you are dealing with provides an order form for their products, your task will be a lot easier. You simply complete the order form and mail it to your supplier. At times, however, you need to write an order letter that does not only include the number of merchandise required, but sets out to negotiate special terms of payment or to discuss a new discount policy, etc. Learning how to write an effective order letter is therefore an important skill.

### **1. Characteristics and Organization of Order Letters**

Order letters are similar to other kinds of business letters that need to be time efficient. It is important that you observe three characteristics of an order letter.

**1.1 Clarity** Write an order letter in everyday language that promotes easy understanding. State your objectives in writing the letter clearly. Specify the agreed terms of payment and mode of transportation. If you are ordering in response to an advertisement, mention the source as well.

**1.2 Conciseness:** To save time which is valuable for business transactions, write your order letter as concise as possible. State your purpose and the items you want to order, including all necessary details. However, do not state the reasons for your order. This is not going to interest your supplier. You will only waste their time.

**1.3 Completeness:** Although an order letter needs to be concise, it also has to be complete. Incomplete order letters will result in a waste of time since the supplier lacking the necessary information cannot deliver the items. Moreover, incomplete order letters may cause the delivery of wrong merchandise.

**Every order letter should at least include the following:**

- a. the name of the item being ordered
- b. the item's number (catalog number, style number, model number, etc.)
- c. quantity ordered
- d. description (size, weight, color, material, etc.)
- e. unit price/total price
- f. discounts as agreed

- g. sales tax
- h. **terms** of payment/method of payment
- i. expected delivery date
- j. method of delivery (sea, air, special delivery)
- k. delivery address (may vary from the billing address)
- l. authorized signature

**The following is an example of an incomplete order letter:**

**Rama & Krappa, Co.Ltd.**  
37 Asia Road  
**Bukit Tima, Singapore 25483**

23 August 19..

A.S. & Sons Garments, Inc.  
C Building  
Dallas, TX 74832  
USA

Dear Manager:

Please send me 2 dozen of the raincoats advertised in Export America for \$85 each. It is going to be the rainy season soon. Please deliver my order promptly.

Sincerely yours,  
*Paul Dean*  
Paul Dean  
Branch Manager

This letter lacks a lot of important information. It does not state the sizes, materials, colors desired. Moreover, it does not enclose the payment, nor specify terms or method of payment preferred. This will only result in delayed delivery because the supplier needs to write to inquire about the missing information. . Remember to include all information necessary for the order.

**The following are clear, concise, and complete order letters:**

A.

**Rama & Krappa, Co. Ltd.**  
**37 Asia Road**  
**Bukit Tima, Singapore 25483**

23 August 19..

A.S. & Sons Garments, Inc.

C Building

Dallas, Texas 74832

USA

Dear Manager:

Please send me 2 dozen leather raincoats, six each in yellow, red, black and brown and in four sizes of S, M, L, and XL. Please include 2 each of S and M, and 1 each of

L and XL for each color. The price for each item as advertised in Export America of 15 July 19. . is \$85. I've enclosed a bank draft of \$2,040 for the cost of the 24 raincoats. It is my understanding that this sum also covers the cost of delivery. I am looking forward to receiving my order within 2 weeks.

Sincerely yours,

*Paul Dean*

Paul Dean

Branch Manager

Enclosure

B.

**Olav Perfumes, Inc.  
193 B Building  
Temple Square, London EC 4  
The United Kingdom**

7 July 19. .

Jennifer Supplies

Sunrise Tower

Quarry Bay, Hong Kong

Dear Sir/Madam:

Thank you very much for your quotation **no.350/1F** of 25 June 19.. . Please deliver the following items at Room 804, Hickory Hill, London EW3 before 30 July 19.. .

<u>Quantity</u>	<u>Item</u>	<u>Price</u>	<u>Amount</u>
5	Paco'Rabanne	\$43	\$215
5	opium	\$40	\$200
10	Miss Dior	\$40	\$400
Subtotal			\$815
5 % Sales Tax			40.75
<b>Total</b>			<b>\$ 855.75</b>

Our check for \$ 855.75 is enclosed. We are looking forward to receiving our order soon.

Sincerely,

*Olav Arden*

Olav Arden

Purchasing Manager

Enclosure

C.

**Grossman Home Appliances, Inc.**

**2850 West End Avenue**

**Chicago, Illinois 60624**

5 May 19.

Mr. Richard Fisher

Sales Manager

Products Distribution, Inc.

1740 Fullerton Avenue

Grand Rapids, Michigan 49506

Dear Mr. Fisher:

Thank you for your letter of 1 May, enclosing your current catalog and price list,

Enclosed is my order for 10 Ping Putters model KH 702 at \$110 each. As we agreed, settlement will be by banker's draft, when we receive the shipping documents, and we expect delivery within six weeks.

If the items requested are not available, please do not send substitutes.



We would appreciate your informing us at once if there are any problems with delivery.

We look forward to receiving acknowledgment of our order very soon.

Yours sincerely,

*Larry Grossman*

Larry Grossman

Purchasing Manager

Enclosure

In cases where the company provides an order form, complete the form correctly and completely so as to receive the items as fast as desired. Normally, each order form contains more or less the same components:

- a. the letter head i.e. the buyer's company name and address
- b. the order number and marks and numbers to be put on each package
- c. the supplier's company name and address
- d. Date of order
- e. Place of delivery
- f. Total cost of merchandise
- g. Terms of payment
- h. Quantity, list, price of merchandise
- i. The buyer's company, name and title of the ordering person

**The following is an example of an order form:**

<p>Modern Industries, Limited Tehran, Iran</p> <p>Cable Address: MODINKH</p> <p>To: Electrical Equipment Exporters 29 Bay View Avenue Newark, New Jersey 07112 USA.</p>	<p>ORDER NUMBER A-39038</p> <p><b>MARKS AND CLC</b> NUMBERS TO 39038 BE PUT ON EACH PACKAGE AND INVOICE # # No. 1 &amp; UP</p> <p>DATE: October 26, 19..</p>			
<p>DELIVERY CIF Khorramshahr</p> <p>Please ship to us the goods described below.</p> <p>See shipping instruction and condition on the reverse side of this order. If you cannot fill this order as stated, notify us at once. Please acknowledge receipt of this order. Failure to comply with instructions on this order makes you liable and responsible for any additional expenses incurred.</p> <p><b>YOUR QUOTATION DATED: OCTOBER 12, 19..</b> TERMS: 60 s/d</p>				
<p><b>From Business Writing and Procedures</b> Philip S. Atkinson and Helen Reynolds, Philippines: Litton Educational Publishing, Inc., 1970, 167</p>				
<table border="1"> <thead> <tr> <th data-bbox="166 1078 440 1121">QUANTITY</th> <th data-bbox="440 1078 1002 1121">ARTICLES</th> <th data-bbox="1002 1078 1264 1121">PRICE</th> </tr> </thead> </table>		QUANTITY	ARTICLES	PRICE
QUANTITY	ARTICLES	PRICE		
<p>4</p>	<p>Washing machines, fully automatic stainless steel, capacity 225 lb., dry SHIPMENT: Soon as possible</p>	<p>\$ 3,700.00</p>		
<p>NOTE IMPORTANT INSTRUCTIONS AND CONDITIONS ON BACK</p> <p>ORIGINAL ORDER</p> <p>Modem Industries, Limited by  Djarfar Pahlavi Manager</p>				

**From the above example, the parts of an order form can be analyzed as follows:**

The buyer's company name and address: Modem Industries, Limited

2 Albarz Avenue

Tehran, Iran

The company's code for telegraph: MODINKH

Order number: A - 39038

Marks and numbers to be put on each package:

CLD

39038

# #

No. 1 & up

Order Date: October 26, 19..

Place of delivery: CIF Khorramshahr

(CIF = cost insurance freight) to Khorramshahr

The supplier's company name and address: Electrical Equipment Exporters

29 Bay View Avenue

Newark, New Jersey 07112

USA

Conditions of delivery: the statement after the supplier's company name and address

Total cost of merchandise as agreed on: October 12, 19..

Terms of payment: 60 days after receiving merchandise

( 60 = sixty days; s = sight, D = draft)

Quantity, list, price of merchandise: description of the merchandise ordered, the buyer's company name, the authorized person and his/her position: Modern Industries, Limited by

*Djarfar Pahlavi*

Djarfar Pahlavi

Manager

**The following is another example of an order form:**

**Demetrius Brothers, Inc.**

**200 High Street**

**Willsborough, ST 64501**

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ORDER FORM

Date: 5 May. 19..

Name of Company: Chen Lumber Company

Order No.: F 6148

Telephone: (718) 437-5421

Fax: (718) 437-5402

Telex: 2918176

Address for delivery: 650 Main Street. Manchester., ST 56717

Authorized: Larry Chen

Quantity	Item description	Cat. No.	Price c.i.f.	Total

Amount due: .....

Terms of payment: .....

Requested delivery date: .....

The following are some expressions that you may find useful in writing an order letter: .

- Thank you for your letter of ....., enclosing your current catalog and price - list. Enclosed is my order for.....
- As we agreed, our terms of payment are .....
- We expect delivery within ....., .....
- Please inform us at once if there are any problems with delivery.
- Please send us acknowledgment of our order.
- The goods should be packed individually in three crates and all numbered.
- I will be grateful if you will.....
- I would appreciate having.....
- Please accept this order for immediate shipment to .....

**Activity 1 A**

**Write an order letter to Asia supplies, 726 Square Park, Arlington, TX 74832 for 5 cabinets model MK 405. The cabinets costs \$430 each. Ask for delivery within 40 days after receiving an order letter.**

**Activity 1 B**

**Fill in an order form for the merchandise in activity 1 A.**

## 2. Characteristics and Organization of Acknowledgment Letters

Acknowledgment letters are letters that provide a record of an order. Usually, acknowledgment letters specify delivery date, transportation mode, and may suggest alternatives in case the merchandise ordered is out of stock, or that certain model is discontinued. Most companies have an acknowledgment form to save time and energy. Therefore, when you need to write an acknowledgment letter, you should observe three characteristics of acknowledgment letters:

**2.1 Clarity.** Write an acknowledgment letter using a clear language. Tell the customers directly whether you can fill an order or not. This is to avoid misunderstanding. The acknowledgment letter is a proof that you have the amount requested and that you are able to deliver the goods desired.

**2.2 Completeness.** An acknowledgment letter needs to be complete to cover all necessary details. If the order cannot be filled, inform the customers of the alternative. Repeat delivery date; transportation mode, terms of payment, and special instructions related to the order.

**2.3 Courtesy** Show courtesy to customers by thanking them for an order in the opening statement. This is to show your appreciation for their business transactions. Close the letter with a statement showing goodwill. Also you may take the opportunity to present new merchandise for your customer's consideration.

Close the letter with a statement showing goodwill. Also you may take the opportunity to present new merchandise for your customer's consideration.

**The following are examples of acknowledgment letters:**

A.

**Jennifer Supplies  
Sunrise Tower  
Quarry Bay, Hong Kong**

12 July 19. .

Mr. Olav Arden  
Purchasing Manager  
Olav Perfumes, Inc.  
193 B Building  
Temple Square, London EC4  
United Kingdom

Dear Mr. Arden:

Thank you for your order letter of 7 July 19. . and the check of \$855.75. We can assure you that **5 Paco** Rabanne, 5 Opium, and 10 Miss Dior will reach you before 30 July 19. . .

We appreciate your business and look forward to receiving more order from you soon.

Sincerely,



B.

**Products Distribution Inc.  
1740 Fullerton Avenue  
Grand Rapids, Michigan 49506**

11 May 19. .

Mr. Larry Grossman  
Purchasing Manager  
Grossman Home Appliances Inc.  
2850 West End Avenue  
Chicago, Illinois 60624

Dear Mr. Grossman:

Thank you for your order letter of 5 May 19. . for 10 Ping Putters model KH 702 at \$110 each.

We can assure you **that** you will receive the merchandise before 15 June. Enclosed is our latest catalog of Ping Clubs. We would be delighted to provide more information regarding new arrivals and other golf accessories you may be interested in.

We appreciate your business and look forward to being of service to you soon.

Sincerely,  
*Richard Fisher*  
Richard Fisher  
Sales Manager

To save time, most companies provide an acknowledgment form as follows:

<p style="text-align: center;"><b>ABC Company Limited</b> <b>7/83 Avocado Avenue</b> <b>Chicago, Illinois 47856</b></p> <p>Dear Customer:</p> <p>Thank you for your order <b>number</b> ..... of ., ..... for .....</p> <p>We will ship it (them) on..... by .....</p> <p>We appreciate the opportunity to serve you.</p> <p style="text-align: right;">Very truly yours,</p> <p style="text-align: right;">Sales Manager</p>
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The following are examples of sentences you may use in writing an acknowledgment letter:

- Thank you for your order for 20 copies of Business Correspondence & Report Writing by Alexander Hamilton.
- Thank you for reordering 2 dozen of our new and popular Elite Cigars.
- We will ship 20 copies of Business Correspondence & Report Writing by Alexander Hamilton on 8 June.

We are pleased to inform you that we sent 2 dozen of the Elite cigars by air freight yesterday, 28 October. They should reach you within 3 days.

As you know, Alexander Hamilton is a well-known writer for the business writing field. You may feel interested in his Build up Business Vocabulary and Business Talks, our best sellers right now.

Along with this delivery, we have also enclosed free samples of Belgium chocolate bars for your young clients to taste. Hope to hear from you soon.

In case you need to suggest an alternative to your customers due to the discontinuation of merchandise, the increased cost, or the shortage because of high demand, the following sentences can be used:

- Because of the fast sale of our electric fans model 748 TF, they have temporarily run out of stock and will be in the market again around the end of next month. Please see the enclosed catalog for our latest model 848 FG which looks similar to the 748 TF in appearance but generates more rounds and turns faster. The 848 FG will cost only 2 percent more. We hope to receive your order soon.

- We would like to inform you that the paperback tiles are now increasing in price to \$1 per dozen due to the higher cost of raw materials. We do hope you understand and look forward to giving you our best service soon.

## Activity 2 A

**Write an acknowledgment letter for the following letter.**

**Rama & Krappa, Co.Ltd.**  
**37 Asia Road**  
**Bukit Tima, Singapore 25483**

23 August 19..

A.S. & Sons Garments, Inc.

C Building

Dallas, TX 74832

USA

Dear Manager:

Please send me 2 dozen leather raincoats, six each in yellow, red, black and brown and in four sizes of S, M, L, and XL. Please include 2 each of S and M, and 1 each of L and XL for each color. The price for each item as advertised in Export America of 15 July 19. . is \$85. I've enclosed a bank draft of \$2,040 for the cost of the 24

raincoats. It is my understanding that this sum also covers the cost of delivery. I am looking forward to receiving my order within 2 weeks.

Sincerely yours,

*Paul Dean*

Paul Dean

Branch Manager

### **Activity 2 B**

**Write an acknowledgment letter for the order letter in activity 1 A**

### **3. Grammar Review: Past Tenses**

Tenses are useful elements of grammar that enhance an effective business writing style. The ability to distinguish tenses is necessary since they concern aspects of time. The following exercises aim to review the usage of past tenses: past simple, past continuous, past perfect, and past perfect continuous. Before completing these exercises, review the usage of past tenses carefully and thoroughly.

### **Activity 3 A**

**Underline the correct tenses.**

1. The meeting (was adjourned, was adjourning) early last night.

2. The chairperson (spoke, was speaking) when the president (called, was calling).
3. Last week the manager (had to attend, was attending) five meetings which (were taking, took) place consecutively.
4. The shipping clerk (was **confirming, confirmed**) that the plane (was having, had) a capacity load.
5. Trade deficit (increased, was increasing) tremendously few years ago.
6. ABC Company Limited (established, was established) fifteen years ago.
7. The firm (did, was doing) business when fire inspectors (ordered, was ordering) management to stop.
8. Traffic (resumed, was resuming) while city workers (were still-removing, still removed) debris from the street.
9. The company (announced, was announcing) the sales manager's early retirement last Monday.
10. **She** (didn't want, was not wanting) to interrupt while he (counted, was counting) the receipts.

### Activity 3 B

#### Write the correct tenses in the blanks.

1. Before its merge with Sand & Sun Inc., Breakaway Travel . . . . . by the gateway group Inc. (manage)
  
2. The manager said he . . . . . for the sales report since 10 o'clock. (look)
  
3. By the time construction on the annex began, the company . . . . . funds for seven years. (raise)
  
4. John couldn't attend the meeting this morning because he . . . . . his glasses. (break)
  
5. The committee . . . . . for three hours before the meeting . . . . . (wait; reconvene)
  
6. The account was higher than expected because it . . . . . interest for some time. (accrue)
  
7. The job market . . . . . by the time Linda graduated. (improve)
  
8. His project . . . . . before he . . . . . a bank loan. (approve; request)

9. The plant ..... last year because of the economic depression.  
(close)

10. She ..... to attend the conference but she changed her mind. (plan)

### Activity 3 C

#### Underline the correct answers.

1. The company (changed, was changing) its policy last fiscal year.
2. Taxes (were increased, were increasing) to meet the economic conditions.
3. The manager (had been trying, had been tried) to promote the company's sale volume in the past **five** months.
4. The building industry (was declining, declined) last year because of the high interest rate.
5. The Board of Investment (discussed, were discussing) a project when one of its members (had, was having) a heart attack
6. John (was firing, was fired) after the company discovered that he (mismanaged, had mismanaged) the company's funds.



7. The president (was, had been) a dedicated, capable person and his subordinates have missed him since his death.
8. Nancy was unable to attend the meeting yesterday because she (had worked, has worked) for a long time the previous night.
9. The warning light (had been flashing, had been flashed) for quite a while when the explosion occurred.
10. The campaign took place after the committee (agreed, had agreed) to the proposal.

*Business organizations are complex communication systems. The individual entering today's organization must function in a dynamic communication system, and to some extent, the ability to function effectively in that communication system may determine their-perceived competency and their level of success.*

*Dvid DiSolvo, C. Larsen, and William J. Seiler*

*"Communication Shills Needed by Persons in Business Organizations," 2*