

Most Negotiated Terms 2020

Negotiating in a time of turmoil

Contents

- 2 Preface
- 3 Definitions and demographics
- 4 Most Negotiated Terms 2020
- 8 2020: A year that changed the world
- 9 Some thought-provoking data points
- 10 Results data
- 18 Contacts

Preface

COVID-19 has laid bare the massive changes that companies face in an ever accelerating, constantly evolving business climate. These pressures, however, have been building for some time. Over the past few years, heightened customer expectations, disrupted supply chains, changing market dynamics, and evolving regulatory frameworks have pushed companies to re-evaluate the systems and processes that drive business decision making.

They increasingly understand how contracts are the life blood of their business, the way that contracts define how an organization operates, creating critical links with its suppliers and customers. Yet to what extent and in what ways are contract negotiations keeping pace with the changes going on around us?

The 2020 Most Negotiated Terms report is a pivotal resource for organizations seeking to understand and manage their negotiations and contracts better. The data analyzed in the report comes from across sectors and geographies. It reveals an on-going conflict in our management of risk, perceived and actual. As we wrestle with the uncertainties and volatility created by COVID-19, negotiators are grappling with the need for fundamental change in priorities and practices.

This year's report results from a powerful collaboration between World Commerce & Contracting, the leading research association for contract management, and Icertis, a recognized leader in providing contract intelligence.

Organizations want change; they need change; and to achieve it, they must structure and connect the critical information in their contracts. Only then will they close deals more quickly, dynamically trigger actions when conditions are met and respond immediately when new challenges or opportunities arise.

We hope you enjoy reading this report and that it provides you with the insights and ideas necessary to help your organization 'grasp the moment.'



Tim Cummins
President,
World Commerce
& Contracting



Samir Bodas
Chief Executive Officer,
Icertis

Definitions and demographics

This report contains the terms ‘Most Negotiated’, ‘Most Important’ and ‘Most Disputed’. What we mean by these is:



The terms that negotiators believe they negotiate with the greatest frequency



The terms that negotiators believe are the most significant in their impact on outcomes or results



The terms that negotiators believe are most often the cause of disagreements or disputes

Logically, we might expect that there would be strong alignment between these three areas – that negotiators would focus on the items they deem most likely to undermine results and most important to resolve in the initial negotiation. However, the data shows that this frequently does not occur and that priority is given to terms dealing with risk consequence, rather than risk prevention.

Input for this report was collected from the following:

65 countries

20 industries*

58% buy-side

42% sell-side

30%
of respondents are
legal counsel

*to be included there must be 10 or more separate organizations represented



Most Negotiated Terms 2020: What's new?

Contracts continue to under-perform and most negotiations seriously under-deliver on potential value. This finding is not new, but the COVID-19 pandemic has accentuated the extent of failure and the scale of the opportunity to improve.

The problems are largely due to confusion – confusion over what purpose contracts serve and confusion over who is accountable for the performance of the contracting process. See [The Purpose of a Contract](#) and [Benchmark Report 2019](#).

Improvements offer a compelling return on investment. They require executive action to resolve the ambiguities and contradictions that are currently inherent to the contracting and negotiation process. This report vividly illustrates those challenges.

The terms we most often negotiate are not the same as those that negotiators say are most important. A consequence of this is that contracts and negotiations are designed to deal with failure, not to facilitate success.

The behaviours that contract negotiators recognize to be important for a positive outcome are not the behaviours that they exhibit. Contracts and negotiations are divisive, undermining the cooperation needed for shared benefit.

Most Important Terms top 10

Average 0-4 scale

1	Scope and Goals / Specification	3.2
2	Responsibilities of the Parties	3.1
3	Price / Charge / Price Changes	3.1
4	Delivery	3.1
5	Service Levels	3.0
6	Limitation of Liability	2.9
7	Data Security	2.9
8	Data Privacy	2.8
9	Change Management	2.8
10	Warranty	2.8

Score basis for Most Important Terms

0 = Not important 1 = Slightly impmt. 2 = Moderately impmt. 3 = Very important 4 = Extremely important

Most Negotiated Terms top 10

Average 0-4 scale

1	Limitation of Liability	3.1
2	Price / Charge / Price Changes	2.9
3	Indemnification	2.9
4	Scope and Goals / Specification	2.7
5	Termination	2.7
6	Payment / Payment options	2.6
7	Responsibilities of the Parties	2.6
8	Warranty	2.6
9	Liquidated Damages	2.5
10	Delivery	2.5

Score basis for Most Negotiated Terms

0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always

Does it matter that contract negotiations are divisive?

It is clear that the answer is yes. But how much it matters varies. First of all, how much of your revenue or external spend is covered by contracts? If you are in a sector that deals with consumers, there may be very few sales contracts and even where they exist, there may be little or no negotiation. The situation is typically very different in sectors with extensive business-to-business relationships, where both contracts and negotiation may be the norm.

Secondly, shorter term agreements where requirements are well defined and unlikely to change or be disrupted by events will not in general experience significant levels of value loss. Therefore, your focus should be applied to longer term agreements, or those where outputs or outcomes are harder to define and may be subject to significant change.

Depending on which sector you are in, the ratio of lower risk to higher risk agreements varies. As you move up this risk curve, the quality of your negotiations has increasing impact on overall business performance.

What must you do to improve?

Focus on the primary role of contracts as economic instruments designed to support delivery of value

You and your partners enter trading relationships for mutual gain. Negotiations must focus on how that shared gain will be protected and secured for all. They should create an operational guide that includes a framework for managing change or uncertainty, to supplement the more traditional areas of risk and consequence of non-performance.

Achieving your goals depends on clarity of the outcomes you seek

Successful negotiations require open, accurate information exchange and shared understanding. You must equip negotiators with the knowledge and data that they need to make judgments and understand consequences.

Understand your counterparty

The terms that matter vary considerably. Buyers have different priorities from suppliers. The sector or product and service category impacts the importance of different terms. Negotiation planning and execution should be based on an understanding of these variations and how best to address them, especially the value trades that they may enable. You can use the analyses contained in this report as a base for future planning.

Be honest in your intent

Ensure your negotiators are skilled in evaluating the intent of counterparties. As our [Negotiations report](#) from January 2020 discovered, more than 50% of today's negotiations are in fact non-negotiations. One or both parties engage in positional tactics, seeking to impose their standard terms on the counterparty, often irrespective of suitability.

When these factors are considered in combination, it is easy to understand why contracts are not delivering to their potential or true purpose.

How can you improve?

Technology increasingly plays a role in better negotiation and better contracts, but its effectiveness depends on the way it interacts with humans. The skills of your commercial teams and negotiators remain paramount since it is they who must program the technology, guiding and interpreting its output.

Artificial intelligence, machine learning and natural language processing hold tremendous promise and will steadily revolutionize many aspects of the contracting and negotiation process. But what about now? What are the improvements you should be implementing today?

Sustained progress depends on ownership

Who is accountable for the quality of the contracting process? Who ensures that the terms you use and the process you follow are supporting the organization's strategic goals and adjusting when they change? The [Most Negotiated Terms 2015](#) report observed:

“There is rarely a defined contracting process and even more rarely any point of accountability for overall performance. While individual contracts may have ‘owners’, these unfortunate people typically do not receive substantive guidance or support. The contract they are handed is frequently flawed from the outset due to the various policies and practices that governed its construction.”

If you evaluated contracts as a product, you would fire the product manager. However, today, you would most likely struggle to identify that product manager – there simply is no consolidated point of control.

Implement controls that support information flows and generate data

Without accurate information or data, negotiators instinctively focus on protection. Our research has shown that a substantial majority of contracts, procurement and legal professionals perceive their role as ‘preventist’ – that is, imposing or negotiating terms that limit negative consequences. As this report shows, negotiations focus on risk and risk allocation, often at the expense of the terms that define and safeguard opportunity and performance.

Equip your negotiators to behave differently

Engagement at the initiation of a requirement or opportunity is important in shaping the commercial framework and terms. Good negotiators understand that their role is to understand and influence stakeholders, internal and external, to develop consensus on a suitable agreement. This report highlights that many of your negotiators are

concerned that they and their colleagues lack the skills needed to support positive outcomes, especially in today’s volatile market conditions. Negotiation is now a lifecycle activity – not simply reaching agreement, but maintaining agreement. The investment needed to fix this issue is minor when compared to the potential gain.

Adopt standards that encourage faster and more harmonious negotiations

Do you challenge the assumption that negotiation must begin from extreme positions in order to eventually reach a point of agreement? Analysis shows that the end-point for the most frequently negotiated terms typically operates within a predictable range of variation. So why not encourage your counterparties to start from that position and reduce both the time taken and the adversarial nature of the negotiation? The WorldCC [Contracting Principles](#) offer a source of guidance for this more collaborative approach.

Review your technology

Contracts – past and present – represent an invaluable source of data, yet often that data is either inaccessible or hidden.

Ideally, you already have a robust and searchable contract repository from which you could be extracting information to guide negotiations. Perhaps you have a system that enables speedy access to performance data, even when stored in multiple applications. You may be one of the sector leaders, implementing Artificial Intelligence or Machine Learning to improve the efficiency and effectiveness of your negotiations. Or you may have none of these, in which case your initial efforts need to be focused and to concentrate on applying manual efforts to some critical contracts. This will also help you understand and build the business case for appropriate technology investment.



Must negotiations begin from extreme positions to eventually reach agreement?



Case Study 1

A global supplier of industrial equipment and services is winning more bids and improving margin through intelligent contract analysis. Their implementation of artificial intelligence and machine learning begins before there is even a formal request for proposal.

They explore past projects with the customer so that they understand customer preferences for contract terms and the experiences during contract performance. They also examine similar projects with other customers to determine the influence of contract terms on the results achieved.

Equipped with this information, sales teams may be able to influence aspects of the customer requirements and can ensure that the eventual bid reflects past experience, incorporating the customer's preferred terms and adjusted for their typical commercial practices.

Case Study 2

By digitizing contracting processes, corporations are freeing up human capital and streamlining processes, providing the intelligence needed to make critical business decisions.

For two of those corporations – one in heavy construction, the other in IT services – when COVID-19 hit, they needed quickly to understand how disruptions would impact their ability to deliver projects on time and what provisions their contracts had for accommodating the extraordinary situation. This they did through their investment in searchable databases, fueled by artificial intelligence.

But going further than this, their technology deployment is providing insight to which terms became essential in managing critical events, and more broadly, which terms are associated with more successful or more profitable contracts. It is intelligence such as this that is equipping negotiators to focus on terms that are truly important in delivering flexibility and value – creating a 'top ten' negotiating agenda that is very different from the past and a source of competitive difference.

“COVID-19 has been a catalyst for technology deployment to provide insight into which terms are essential in managing critical events.”

2020: A year that changed the world

On the surface, the 2020 Most Negotiated Terms shows limited change from previous years. To many, given the dramatic impact of COVID-19 on business relationships, this may be a surprise. However, negotiators should look deeper since these consolidated results mask significant and growing changes, especially at a sector level (see Results pages 13-15 for details).

While COVID-19 may have been indiscriminate in where it struck, its impact has been highly variable. Some sectors have been financially crippled, while others have flourished. In some, there was a shared sense of ‘we are in this together’ and a new spirit of cooperation emerged. Others were less considerate in their approach, cancelling orders, withholding payments and serving notices of Force Majeure. The culture and values of individual organizations also came through and, in the words of one General Counsel, “relationships played out”.

At their best, contracts represent the scaffolding for strong, healthy relationships, especially given the nature and extent of fragility created by today’s economic and geopolitical conditions. Negotiations should focus on creating a mutually agreed framework that informs, guides and is able to withstand the challenges that lie ahead.

The early weeks of COVID-19 represented for many a time of unparalleled collaboration. The survey that underpinned this report ran over a ten week period and a review of the responses reveals how that spirit slowly waned. An initial confidence that we truly were entering a new era became strained as financial realities struck home.

Yet there remains a strong sense that greater cooperation, increased transparency and more equitable management of risk are critical to recovery and this demands fresh thinking about how and what we negotiate.

Relational terms rise in importance

What are relational terms? There is often some confusion between the terms ‘relationship’ and ‘relational’. Relationship management is a term that covers day to day reality. It is a system of governance that is often informal in nature and based largely on facts (or our perception of facts).

“Experienced negotiators have grasped that relational terms are essential to managing uncertainty and securing improved performance.”

Relational management is about structuring relations in a way that enables or anticipates a different future – a future that we cannot predict, but we know that change is coming.

Relational terms are therefore those that will help us adapt and adjust. They may include a more formal approach to the frequency and method of communications; or clearer definitions of data exchange; or greater rigor in defining the procedures for change management. While terms such as these do not top the list of ‘Most Important Terms’, more experienced negotiators have grasped that they are essential to sustaining relationships, managing uncertainty

and securing improved performance. The data shows that they are rising up the table, especially for longer-term agreements where the risks and uncertainties are greatest.

Tackling the sources of disagreement

We know where things tend to go wrong. And we know that these represent a source of relationship tension, a distraction from adding value, a cause of cost, revenue or margin erosion. It seems logical that negotiations would focus on how best to avoid these issues, or at least hasten their resolution. But in many cases it appears we view disagreement as inevitable and therefore pay more attention to the weapons we have at our disposal when we engage in battle. The fact that most of these disagreements are in fact resolved without resort to those weapons does not dim our enthusiasm to spend endless hours in negotiating them.

Mature negotiators focus attention on the avoidance of disagreements by understanding where things are likely to go wrong and in building better defenses to prevent them causing lasting damage. The precise issues that generate disagreement vary by sector and it is important we understand those differences. Buyers in particular need to grasp the variations that apply to different categories. They should ensure that their use of standardized master agreements and contract templates does not result in failure to address the issues that may be fundamental to the successful performance of the contract.



Some thought-provoking data points

Innovation

There is much talk about the importance of innovation. Surely it must increasingly feature in our contracts and negotiations, either in terms of obligations or incentives to innovate. The answer is no; out of the fifty-one terms that we evaluate, it ranks 46th.

Force Majeure

Force Majeure caused a massive flurry as COVID-19 hit and grabbed the headlines, especially in legal circles. Given the media coverage, many wondered whether it might even rise to the top of list. The answer seems to be that those discussions were a storm in a teacup: Force Majeure is ranked 27th in Most Negotiated Terms, 17th in Most Important Terms and 10th in Most Claims.

Legal vs. Non-Legal

In-house Legal Counsel mostly operate in a narrower context. When compared with negotiators who are Non-Legal, topics such as Scope and Goals and Service Levels struggle to meet the Counsels' top ten. This most likely indicates the extent to which Legal Counsel are introduced for their specialist knowledge, rather than their skills at negotiation.

Buy-side vs. Sell-side

Buyers and suppliers have different perceptions of what they consider to be most important. While there is extensive overlap of the terms that appear in their respective top tens, the variations suggest real potential for trade-offs during negotiations.

Sectors' correlation with overall top 10 terms

The general picture is of broad correlation between most sectors' top 10 Most Negotiated Terms and the overall top 10 terms, see chart on page 13.

Whilst no sector has a 10-out-of-10 match with the overall top 10 Most Negotiated Terms, there are a handful of sectors with a strong overlap, having 9 of their top terms in the overall top 10, see chart below.

At the other end of the scale, no sector has a very low correlation with the overall top 10 Most Negotiated Terms. There is a small group of sectors with 'mid-level' overlap, having 5 of their top terms in the overall top 10, with Healthcare as the only marginal outlier at 4/10.

Correlation of selected sectors to Most Negotiated Terms overall top 10

0.0 = High correlation
0.0 = Mid-low correlation

Overall top 10 all sectors	Selected Sectors									
	Aerospace / Defence	Cons. Gds. / Retail	Food / Drink / Tobacco	Manufacturing / Industrial Goods	Technology / Hardware	Transport / Logistics	Chemicals	Non-Profit and Charity	Schools / Education / Training	Healthcare
1 Limitation of Liability	3.2	3.1	3.2	3.3	3.3	3.4	2.5	2.3	3.4	3.2
2 Price / Charge / Price Changes	3.2	2.7	2.9	2.3	3.2	3.3	3.2	2.4	2.6	2.7
3 Indemnification	2.8	3.0	3.2	3.2	2.9	3.4	2.7	2.2	3.0	3.2
4 Scope and Goals / Specification	2.8	3.0	2.7	2.0	2.8	1.9	3.0	2.3	2.4	2.1
5 Termination	2.7	3.1	2.7	2.3	2.8	2.3	2.5	2.3	2.8	2.8
6 Payment / Payment options	2.8	2.9	2.9	2.6	2.9	3.4	2.7	1.9	2.8	2.4
7 Responsibilities of the Parties	2.5	2.9	2.1	2.4	2.5	2.1	2.7	2.6	2.5	2.4
8 Warranty	2.6	2.8	3.1	2.7	2.7	2.1	2.1	1.9	2.5	2.3
9 Liquidated Damages	3.0	2.0	2.9	2.6	2.7	1.7	1.4	1.3	2.2	2.0
10 Delivery	2.7	2.7	2.9	2.3	2.8	2.1	2.5	2.2	1.9	2.3

Score basis 0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always



Results: Most Important Terms vs. Most Negotiated Terms

Most Important Terms top 30

Average 0-4 scale

1	Scope and Goals / Specification	3.2
2	Responsibilities of the Parties	3.1
3	Price / Charge / Price Changes	3.1
4	Delivery	3.1
5	Service Levels	3.0
6	Limitation of Liability	2.9
7	Data Security	2.9
8	Data Privacy	2.8
9	Change Management	2.8
10	Warranty	2.8
11	Acceptance	2.8
12	Cybersecurity	2.8
13	Payment / Payment Options	2.7
14	Termination	2.7
15	Product Specification	2.7
16	Intellectual Property	2.7
17	Invoices / Late Payment	2.6
18	Performance Guarantees / Undertakings	2.6
19	Regulatory compliance	2.6
20	Liquidated Damages	2.6
21	Security	2.6
22	Force Majeure	2.6
23	Indemnification	2.6
24	Amendments to Contract	2.6
25	Business Continuity / Disaster Recovery	2.5
26	Confidential Information / Non disclosure	2.5
27	Adherence to Policies (envir, security, etc.)	2.5
28	Governance / Comms and Reporting	2.5
29	Term	2.5
30	Information Access and Management	2.4

Score basis for Most Important Terms

0 = Not important 1 = Slightly imp. 2 = Moderately imp. 3 = Very important 4 = Extremely important

Most Negotiated Terms top 30

Average 0-4 scale

1	Limitation of Liability	3.1
2	Price / Charge / Price Changes	2.9
3	Indemnification	2.9
4	Scope and Goals / Specification	2.7
5	Termination	2.7
6	Payment / Payment options	2.6
7	Responsibilities of the Parties	2.6
8	Warranty	2.6
9	Liquidated Damages	2.5
10	Delivery	2.5
11	Service Levels	2.5
12	Intellectual Property	2.5
13	Confidential Information / Non disclosure	2.4
14	Term	2.4
15	Invoices / Late Payment	2.3
16	Amendments to Contract	2.3
17	Data Privacy	2.3
18	Performance Guarantees / Undertakings	2.2
19	Data Security	2.2
20	Acceptance	2.2
21	Insurance	2.2
22	Adherence to Policies (envir, security, etc.)	2.1
23	Security	2.1
24	Product Specification	2.1
25	Regulatory compliance	2.0
26	Information Access and Management	1.9
27	Change Management	1.9
28	Cybersecurity	1.9
29	Force Majeure	1.9
30	Dispute Resolution	1.9

Score basis for Most Negotiated Terms

0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always

Results: Legal Counsel vs. Non-Legal Most Negotiated Terms

Legal Counsel		Average 0-4 scale
1	Limitation of Liability	3.3
2	Indemnification	3.0
3	Termination	2.8
4	Warranty	2.7
5	Liquidated Damages	2.7
6	Responsibilities of the Parties	2.6
7	Price / Charge / Price Changes	2.6
8	Intellectual Property	2.6
9	Payment / Payment options	2.5
10	Scope and Goals / Specification	2.4
11	Data Privacy	2.4
12	Confidential Information / Non disclosure	2.4
13	Service Levels	2.3
14	Invoices / Late Payment	2.3
15	Data Security	2.3
16	Delivery	2.2
17	Term	2.1
18	Performance Guarantees / Undertakings	2.1
19	Insurance	2.1
20	Adherence to Policies (env, security, etc.)	2.1
21	Security	2.0
22	Amendments to Contract	2.0
23	Acceptance	2.0
24	Force Majeure	1.9
25	Cybersecurity	1.9
26	Rights of Use	1.8
27	Regulatory compliance	1.8
28	Product Specification	1.8
29	Information Access and Management	1.8
30	Dispute Resolution	1.8

Non-Legal		Average 0-4 scale
1	Price / Charge / Price Changes	3.0
2	Limitation of Liability	3.0
3	Scope and Goals / Specification	2.8
4	Indemnification	2.8
5	Termination	2.7
6	Payment / Payment options	2.7
7	Warranty	2.6
8	Service Levels	2.6
9	Responsibilities of the Parties	2.6
10	Delivery	2.6
11	Term	2.5
12	Liquidated Damages	2.4
13	Invoices / Late Payment	2.4
14	Intellectual Property	2.4
15	Confidential Information / Non disclosure	2.4
16	Amendments to Contract	2.4
17	Performance Guarantees / Undertakings	2.3
18	Insurance	2.2
19	Data Security	2.2
20	Data Privacy	2.2
21	Acceptance	2.2
22	Security	2.1
23	Product Specification	2.1
24	Adherence to Policies (env, security, etc.)	2.1
25	Regulatory compliance	2.0
26	Information Access and Management	2.0
27	Change Management	2.0
28	Governance / Comms. and Reporting	1.9
29	Force Majeure	1.9
30	Dispute Resolution	1.9

Score basis 0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always



Results: Buy-Side vs. Sell-Side Most Negotiated Terms

Mostly perform or support Procurement / Sourcing negotiations Average 0-4 scale

1	Limitation of Liability	3.0
2	Price / Charge / Price Changes	2.9
3	Indemnification	2.8
4	Scope and Goals / Specification	2.7
5	Warranty	2.6
6	Termination	2.6
7	Service Levels	2.6
8	Responsibilities of the Parties	2.6
9	Term	2.4
10	Payment / Payment options	2.4
11	Intellectual Property	2.4
12	Delivery	2.4
13	Confidential Information / Non disclosure	2.4
14	Liquidated Damages	2.3
15	Insurance	2.3
16	Amendments to Contract	2.3
17	Performance Guarantees / Undertakings	2.2
18	Invoices / Late Payment	2.2
19	Data Security	2.2
20	Data Privacy	2.2
21	Adherence to Policies (env, security, etc.)	2.1
22	Security	2.1
23	Regulatory compliance	2.1
24	Product Specification	2.1
25	Information Access and Management	2.0
26	Acceptance	2.0
27	Dispute Resolution	1.9
28	Cybersecurity	1.9
29	Change Management	1.9
30	Governance / Comms and Reporting	1.8

Mostly perform or support Sales negotiations Average 0-4 scale

1	Limitation of Liability	3.3
2	Indemnification	3.0
3	Termination	2.9
4	Price / Charge / Price Changes	2.9
5	Payment / Payment options	2.9
6	Liquidated Damages	2.9
7	Warranty	2.7
8	Scope and Goals / Specification	2.6
9	Responsibilities of the Parties	2.6
10	Delivery	2.6
11	Invoices / Late Payment	2.5
12	Intellectual Property	2.5
13	Data Privacy	2.4
14	Service Levels	2.3
15	Data Security	2.3
16	Confidential Information / Non disclosure	2.3
17	Amendments to Contract	2.3
18	Acceptance	2.3
19	Term	2.2
20	Security	2.2
21	Performance Guarantees / Undertakings	2.1
22	Insurance	2.1
23	Force Majeure	2.0
24	Cybersecurity	2.0
25	Regulatory compliance	1.9
26	Product Specification	1.9
27	Adherence to Policies (env, security, etc.)	1.9
28	Rights of Use	1.8
29	Right of Delay	1.8
30	Information Access and Management	1.8

Score basis 0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always

Results: Most Negotiated Terms per sector

0.0 = Top 10 in each sector

Overall top 30 all sectors

	Aerospace / Defence	Automotive	Banking / Insurance / Financial Services	Business Services / Consulting	Cons. Gds. / Retail / Food / Drink / Tobacco	Engineering / Construction	Healthcare	Chemicals	Legal	Manufacturing / Industrial Goods	Materials / Mining	Non-Profit and Charity	Oil and Gas	Pharmaceutical / Biotechnology	Power Generation / Utilities	Public Sector / Government	Schools / Education / Training	Technology / Hardware	Technology / Software	Transport / Logist.	
1 Limitation of Liability	3.2	3.2	2.7	3.0	3.1	3.2	3.2	3.4	3.0	3.2	3.2	2.5	3.2	2.8	3.1	2.5	2.3	3.3	3.4	3.3	3.3
2 Price / Charge / Price Changes	3.2	3.3	3.1	2.9	2.7	3.1	2.7	3.3	2.6	2.9	3.0	3.2	2.9	2.9	2.8	2.5	2.4	2.3	2.6	2.8	3.2
3 Indemnification	2.8	3.1	2.5	2.6	3.0	2.8	3.2	3.4	3.0	3.2	2.9	2.7	3.1	3.3	2.8	2.3	2.2	3.2	3.0	2.8	2.9
4 Scope and Goals / Specification	2.8	2.7	2.8	3.0	3.0	2.9	2.1	1.9	2.6	2.7	3.1	3.0	2.8	1.9	2.9	2.7	2.3	2.0	2.4	2.8	2.8
5 Termination	2.7	3.9	2.9	2.9	3.1	2.5	2.8	2.3	2.8	2.7	3.2	2.5	2.3	2.7	2.5	2.0	2.3	2.3	2.8	3.1	2.8
6 Payment / Payment options	2.8	3.1	2.1	2.6	2.9	2.9	2.4	3.4	2.4	2.9	2.8	2.7	2.8	2.2	2.4	1.7	1.9	2.6	2.8	3.0	2.9
7 Responsibilities of the Parties	2.5	2.7	2.6	2.8	2.9	2.9	2.4	2.1	2.7	2.1	3.0	2.7	2.7	2.0	2.8	2.2	2.6	2.4	2.5	2.8	2.5
8 Warranty	2.6	3.9	2.5	2.5	2.8	2.7	2.3	2.1	2.6	3.1	3.2	2.1	2.6	2.8	2.8	2.2	1.9	2.7	2.5	2.6	2.7
9 Liquidated Damages	3.0	2.4	2.0	2.4	2.0	3.2	2.0	1.7	2.3	2.9	2.9	1.4	2.6	1.6	3.0	1.8	1.3	2.6	2.2	2.8	2.7
10 Delivery	2.7	3.1	2.4	2.7	2.7	2.8	2.3	2.1	2.1	2.9	2.8	2.5	2.4	1.4	2.7	2.5	2.2	2.3	1.9	2.5	2.8
11 Service Levels	1.7	1.7	3.0	2.8	3.0	1.8	2.6	0.7	2.5	1.8	2.6	2.7	2.4	2.1	2.1	2.6	2.4	2.1	2.6	3.1	2.9
12 Intellectual Property	2.8	3.0	2.4	2.6	2.5	2.0	2.4	2.6	2.4	2.7	2.1	2.7	2.3	2.6	2.2	2.2	3.0	2.7	2.6	2.4	2.1
13 Confidential Information / Non disclosure	2.5	3.0	2.4	2.5	2.6	2.3	2.8	2.9	2.3	2.7	2.4	2.8	2.3	2.1	1.9	2.1	2.6	2.3	2.4	2.3	2.1
14 Term	1.6	2.0	2.9	2.6	3.1	2.5	2.5	2.0	2.4	2.1	3.1	3.1	2.3	1.8	2.0	1.9	1.9	1.7	2.1	2.7	2.5
15 Invoices / Late Payment	2.2	3.1	2.0	2.4	2.2	2.8	2.1	2.3	2.3	2.6	2.0	1.9	2.6	1.8	2.1	1.5	1.6	1.9	2.4	2.8	3.0
16 Amendments to Contract	2.4	2.3	2.3	2.4	2.4	2.4	2.3	1.4	1.9	2.4	3.4	2.6	2.3	1.8	2.6	2.1	2.0	1.7	1.9	2.6	2.4
17 Data Privacy	1.7	2.6	2.7	2.7	2.6	1.5	2.9	1.0	2.7	1.5	1.6	2.5	1.8	2.7	1.7	1.8	2.2	2.5	3.1	2.8	1.7
18 Performance Guarantees / Undertakings	2.2	2.2	2.1	2.2	2.3	2.8	1.7	1.4	1.9	2.6	2.4	2.3	2.7	1.3	2.6	2.0	1.8	1.7	1.8	2.1	2.4
19 Data Security	1.7	2.0	2.7	2.5	2.6	1.4	2.7	0.9	2.4	1.6	1.6	2.6	1.7	2.3	1.6	1.8	2.3	2.6	3.0	2.7	1.9
20 Acceptance	2.5	2.3	2.4	2.2	1.9	2.1	2.0	1.1	2.2	1.9	1.4	2.2	2.0	1.1	2.1	1.8	2.1	2.1	2.2	2.7	1.9
21 Insurance	1.9	2.4	1.9	1.9	2.3	2.7	2.5	2.9	2.1	2.3	2.6	2.1	2.5	2.0	2.5	2.0	2.0	1.4	1.8	1.9	2.7
22 Adherence to Policies (environmental, security, etc.)	1.4	2.7	2.5	1.9	2.4	2.1	2.3	1.3	2.0	1.6	2.4	2.7	2.0	1.2	1.9	1.9	2.3	2.3	2.2	2.3	2.0
23 Security	1.7	1.1	2.4	2.2	2.5	1.7	2.1	0.7	1.9	1.9	2.6	2.4	1.7	1.3	2.1	1.9	1.8	2.0	2.7	2.6	2.0
24 Product Specification	2.6	2.4	2.3	1.9	2.7	2.2	1.9	1.3	1.7	2.4	2.3	2.4	2.2	1.6	2.1	2.0	1.9	1.4	1.5	2.0	2.3
25 Regulatory compliance	1.8	2.4	2.5	1.9	2.1	1.7	2.0	1.7	1.9	1.4	2.1	2.1	2.0	1.6	2.0	1.7	2.1	1.6	2.0	2.1	1.9
26 Information Access and Management	1.7	2.3	2.3	1.9	2.4	1.7	2.4	1.4	2.1	1.3	2.1	2.6	1.8	1.6	1.7	2.1	2.4	1.2	2.1	2.1	1.6
27 Change Management	2.1	1.9	1.8	2.1	2.0	2.5	1.4	0.9	1.8	1.5	1.8	1.7	2.0	1.0	2.0	1.7	1.5	1.3	1.7	2.3	1.8
28 Cybersecurity	1.7	1.9	2.3	2.1	2.1	1.0	2.1	0.6	2.0	1.3	1.5	2.3	1.6	2.1	1.7	1.5	1.8	2.0	2.5	2.4	1.7
29 Force Majeure	2.3	2.6	1.5	1.7	1.7	2.3	1.7	2.4	1.6	2.3	2.8	1.6	2.2	1.6	2.3	1.1	2.1	1.4	1.6	2.1	2.1
30 Dispute Resolution	1.8	1.6	1.8	1.9	1.9	2.6	1.8	1.1	1.8	2.0	2.7	1.9	2.0	1.9	1.9	1.6	1.7	1.4	1.7	1.8	1.9

Score basis
0 = Rarely / Never **1** = Sometimes **2** = About half of the time
3 = Often **4** = Most of the time / Always

Some sectors have been excluded because they had too few responses to provide reliable data.

Sectors' top 10s that are not within the overall top 30 are not shown.

Where a sector has more than 10 terms highlighted, this means that some terms have been ranked equally within that sector.

Results: Most Important Terms per sector

0.0 = Top 10 in each sector

Overall top 30 all sectors

	Aerospace / Defence	Automotive	Banking / Insurance	Business Services / Financial Services	Chemicals	Cons. Gds. / Retail / Food / Drink / Tobacco	Engineering / Construction	Healthcare	Legal	Manufacturing / Industrial Goods	Materials / Mining	Non-Profit and Charity	Oil and Gas	Pharmaceutical	Power Generation / Utilities	Public Sector / Government	Schools / Education / Training	Technology / Hardware	Technology / Software	Transport / Logist.	
1 Scope and Goals / Specification	3.4	3.2	3.3	3.4	2.5	3.4	3.2	3.0	3.1	3.4	3.1	3.0	3.3	3.3	3.4	3.4	3.1	2.6	2.9	3.2	3.4
2 Responsibilities of the Parties	3.0	3.4	3.4	3.2	2.0	3.5	3.2	3.1	3.1	2.9	3.1	2.8	3.2	2.9	3.2	3.1	3.1	2.6	2.8	3.3	2.9
3 Price / Charge / Price Changes	3.3	3.2	3.0	3.0	3.3	3.1	3.2	3.1	3.2	3.0	2.9	3.1	3.4	2.6	3.2	3.0	2.6	2.7	2.7	3.2	3.3
4 Delivery	3.3	3.1	3.0	3.1	3.2	3.2	3.1	3.0	2.8	3.3	3.2	2.8	3.1	2.3	3.3	3.4	2.7	2.9	2.8	3.1	3.3
5 Service Levels	2.6	2.4	3.4	3.0	1.7	3.5	2.4	3.3	3.1	2.6	3.0	3.1	2.8	3.4	2.6	3.4	3.1	2.4	2.9	3.3	3.3
6 Limitation of Liability	2.9	3.3	3.0	2.5	2.7	3.2	3.2	2.8	2.8	3.3	2.9	2.8	3.2	3.0	3.0	2.4	2.3	3.0	2.9	2.8	2.9
7 Data Security	2.4	2.2	3.4	2.9	2.7	3.5	2.2	3.2	3.0	2.3	2.9	3.6	2.5	2.8	2.4	3.0	2.6	2.8	3.3	3.0	2.8
8 Data Privacy	2.3	2.9	3.4	2.8	2.8	3.5	2.1	3.1	3.0	2.3	2.8	3.5	2.5	2.9	2.3	3.0	2.6	2.7	3.3	3.0	2.7
9 Change Management	2.9	3.0	2.6	2.8	2.2	2.9	3.2	2.5	2.7	2.5	2.8	2.3	3.1	2.4	2.9	2.8	2.7	2.4	2.6	2.9	2.9
10 Warranty	2.9	3.2	2.9	2.5	3.3	2.9	2.9	2.6	2.8	3.4	3.4	2.8	3.0	3.1	2.9	2.6	1.6	2.8	2.7	2.5	2.8
11 Acceptance	3.0	2.8	2.7	2.6	2.5	2.6	2.6	2.6	2.7	2.6	2.9	2.8	2.7	2.5	2.8	3.1	2.1	2.7	2.9	3.2	2.9
12 Cybersecurity	2.4	2.5	3.4	2.7	2.7	3.3	2.1	3.2	2.9	2.3	2.9	3.5	2.4	2.6	2.5	3.0	2.5	2.7	3.1	2.8	2.7
13 Payment / Payment Options	2.8	3.3	2.2	2.7	3.7	3.1	3.0	2.7	2.6	2.9	2.3	2.2	2.9	3.1	2.7	2.4	2.0	2.4	2.6	2.9	2.9
14 Termination	2.6	2.8	3.1	2.4	3.0	3.2	2.5	2.9	2.9	2.8	3.0	2.8	2.9	3.3	2.6	2.5	2.3	2.2	2.7	2.9	2.3
15 Product Specification	3.0	2.4	2.7	2.4	2.5	3.3	2.8	2.3	2.6	3.0	3.0	2.5	2.9	2.3	2.8	2.7	2.4	2.4	2.2	2.9	3.1
16 Intellectual Property	3.0	3.5	2.8	2.3	2.7	3.2	2.3	2.4	2.8	2.8	2.3	3.6	2.6	3.0	2.3	2.5	2.9	2.7	2.9	2.7	2.4
17 Invoices / Late Payment	2.8	3.4	2.2	2.5	2.5	2.7	3.0	2.2	2.7	2.6	2.0	2.2	3.0	2.4	2.5	2.3	1.9	2.4	2.5	3.1	2.8
18 Performance Guarantees / Undertakings	2.6	2.8	2.8	2.3	2.3	2.9	2.9	3.0	2.5	2.9	2.8	2.7	2.9	2.9	3.0	2.8	1.9	1.8	2.3	2.7	2.5
19 Regulatory compliance	2.5	2.2	3.5	2.4	3.5	3.1	2.5	3.0	2.7	2.0	2.8	3.3	2.7	2.1	2.8	2.6	2.1	2.4	2.4	2.6	2.4
20 Liquidated Damages	2.9	2.0	2.5	2.2	2.2	2.4	3.2	2.0	2.5	3.1	2.3	1.9	2.8	2.3	3.1	2.0	1.8	2.4	2.4	2.9	2.5
21 Security	2.2	2.6	3.3	2.6	1.8	3.2	2.2	2.7	2.6	2.3	2.5	3.2	2.2	2.3	2.5	2.8	2.1	2.3	2.8	2.9	2.3
22 Force Majeure	2.9	3.2	2.5	2.3	2.8	3.1	2.9	2.8	2.4	2.8	3.1	2.5	3.0	2.6	3.0	2.3	2.4	2.0	2.4	2.6	2.3
23 Indemnification	2.4	2.8	2.9	2.0	3.0	3.0	2.8	2.5	2.6	2.8	3.0	2.8	3.0	2.9	2.5	2.4	1.8	2.7	2.4	2.4	2.5
24 Amendments to Contract	2.6	3.0	2.5	2.3	2.2	2.5	2.8	2.4	2.1	2.8	2.7	2.8	3.1	2.4	2.9	2.7	2.6	1.8	2.3	2.6	2.8
25 Business Continuity / Disaster Recovery	2.3	2.3	3.0	2.4	3.2	3.2	2.1	2.9	2.6	2.1	2.6	2.7	2.5	2.5	2.5	2.7	2.6	1.8	2.3	2.5	2.5
26 Confidential Information / Non disclosure	2.3	3.0	3.1	2.3	3.3	3.1	2.1	2.9	2.5	2.6	2.7	3.3	2.4	2.4	2.0	2.6	2.9	2.3	2.5	2.2	2.1
27 Adherence to Policies (environmental, security, etc.)	2.1	2.2	3.0	2.0	2.7	3.0	2.5	2.9	2.3	1.9	3.1	2.7	2.8	2.4	2.5	2.9	2.4	1.8	2.4	2.5	2.6
28 Governance / Communications and Reporting	2.0	1.8	2.8	2.8	1.5	2.8	2.3	2.3	2.6	1.9	2.6	3.0	2.4	2.6	2.7	2.6	2.7	1.7	2.4	2.7	2.4
29 Term	2.1	2.2	2.8	2.3	1.8	3.0	2.6	2.4	2.6	2.4	3.0	2.9	2.7	3.0	2.3	2.2	2.1	1.8	2.2	2.5	2.2
30 Information Access and Management	2.1	2.2	2.9	2.3	2.0	2.9	2.2	2.8	2.5	2.0	2.4	2.9	2.3	2.1	2.3	2.7	2.4	2.0	2.4	2.5	2.2

Score basis
0 = Not important **1** = Slightly imp. **2** = Moderately imp.
3 = Very important **4** = Extremely important

Some sectors have been excluded because they had too few responses to provide reliable data.

Sectors' top 10s that are not within the overall top 30 are not shown.

Where a sector has more than 10 terms highlighted, this means that some terms have been ranked equally within that sector.

Results: Most Disputed Terms per sector

0% = Top 10 in each sector

Overall top 30 all sectors

	Aerospace / Defence	Automotive	Banking / Insurance / Financial Services	Business Services / Consulting	Chemicals	Cons. Gds. / Retail / Food / Drink / Tobacco	Engineering / Construction	Healthcare	Legal	Manufacturing / Industrial Goods	Materials / Mining	Non-Profit and Charity	Oil and Gas	Pharmaceutical / Biotechnology	Power Generation / Utilities	Public Sector / Government	Schools / Education / Training	Technology / Hardware	Technology / Software	Transport / Logist.	
1 Price / Charge / Price Changes	28%	75%	25%	28%	14%	18%	30%	38%	17%	11%	30%	20%	40%	30%	35%	33%	13%	19%	14%	36%	45%
2 Delivery	42%	0%	25%	33%	0%	24%	28%	13%	19%	37%	10%	27%	28%	20%	33%	33%	27%	26%	19%	32%	14%
3 Change Management	32%	38%	11%	33%	14%	6%	44%	13%	22%	16%	20%	20%	41%	10%	38%	20%	0%	19%	20%	24%	14%
4 Scope and Goals / Specification	19%	0%	20%	46%	14%	29%	26%	13%	26%	18%	30%	20%	19%	30%	40%	35%	0%	19%	25%	28%	21%
5 Invoices / Late Payment	25%	50%	14%	21%	57%	6%	31%	13%	31%	18%	20%	0%	35%	20%	23%	15%	0%	19%	25%	45%	21%
6 Acceptance	39%	0%	23%	32%	43%	18%	14%	17%	30%	13%	0%	0%	9%	20%	20%	19%	20%	35%	26%	37%	24%
7 Service Levels	14%	0%	34%	35%	0%	35%	5%	25%	20%	3%	20%	13%	9%	50%	13%	26%	33%	10%	19%	30%	34%
8 Amendments to Contract	17%	13%	15%	18%	43%	6%	24%	21%	15%	29%	30%	33%	26%	0%	23%	26%	13%	13%	16%	16%	21%
9 Liquidated Damages	30%	13%	3%	11%	14%	0%	30%	8%	6%	34%	10%	0%	24%	0%	40%	2%	13%	10%	4%	24%	21%
10 Force Majeure	19%	0%	8%	10%	86%	18%	22%	17%	15%	29%	10%	20%	27%	10%	23%	7%	33%	16%	12%	1%	10%
11 Payment / Payment Options	14%	25%	10%	11%	14%	12%	17%	21%	15%	24%	10%	13%	13%	10%	10%	13%	27%	16%	15%	17%	14%
12 Responsibilities of the Parties	16%	25%	15%	25%	0%	18%	13%	13%	19%	5%	10%	13%	14%	10%	13%	13%	7%	6%	14%	25%	3%
13 Termination	13%	25%	18%	7%	0%	6%	5%	13%	13%	16%	0%	20%	9%	10%	13%	6%	7%	3%	23%	8%	14%
14 Warranty	14%	25%	10%	6%	43%	12%	10%	8%	9%	26%	10%	0%	18%	20%	20%	9%	0%	16%	9%	4%	3%
15 Product Specification	25%	0%	5%	8%	0%	24%	13%	4%	6%	13%	0%	0%	5%	20%	13%	13%	7%	13%	11%	11%	28%
16 Limitation of Liability	7%	13%	8%	6%	0%	18%	16%	17%	7%	16%	0%	0%	8%	20%	10%	6%	13%	16%	15%	8%	14%
17 Performance Guarantees / Undertakings	9%	13%	6%	3%	14%	12%	13%	21%	11%	18%	20%	7%	6%	0%	18%	26%	0%	6%	7%	5%	7%
18 Indemnification	3%	38%	6%	6%	0%	18%	13%	17%	9%	13%	0%	7%	9%	20%	3%	9%	0%	10%	11%	3%	10%
19 Intellectual Property	16%	25%	9%	6%	0%	18%	1%	4%	7%	5%	0%	40%	1%	10%	3%	4%	13%	10%	10%	9%	3%
20 Dispute Resolution	1%	13%	5%	7%	14%	12%	15%	0%	4%	5%	20%	0%	9%	10%	13%	11%	7%	3%	5%	9%	10%
21 Audits	3%	13%	14%	7%	14%	12%	1%	21%	9%	3%	0%	7%	8%	10%	3%	11%	0%	13%	6%	5%	3%
22 Benchmarking	0%	25%	13%	7%	0%	0%	3%	13%	4%	0%	20%	7%	5%	0%	0%	2%	7%	0%	7%	11%	0%
23 Right of Delay	14%	0%	1%	4%	0%	0%	15%	0%	4%	5%	10%	7%	3%	0%	13%	4%	7%	3%	5%	4%	3%
24 Adherence to Policies (environmental, security, etc.)	1%	0%	18%	3%	0%	12%	2%	8%	4%	0%	10%	13%	3%	10%	8%	6%	0%	3%	4%	4%	14%
25 Governance / Communications and Reporting	1%	0%	10%	6%	0%	18%	3%	0%	4%	0%	0%	33%	0%	10%	3%	11%	7%	3%	5%	5%	0%
26 Data Security	0%	0%	11%	4%	0%	12%	0%	8%	4%	0%	0%	13%	0%	0%	3%	4%	13%	6%	15%	5%	0%
27 Business Continuity / Disaster Recovery	0%	0%	8%	4%	0%	6%	0%	4%	6%	0%	0%	13%	10%	0%	3%	2%	7%	6%	7%	0%	0%
28 Data Privacy	0%	0%	11%	3%	0%	0%	0%	8%	2%	0%	0%	13%	0%	10%	0%	2%	7%	13%	11%	5%	0%
29 Assignment / Transfer	0%	0%	1%	4%	29%	12%	2%	0%	7%	0%	0%	7%	3%	0%	0%	4%	13%	3%	7%	1%	0%
30 Insurance	3%	0%	1%	1%	0%	6%	5%	13%	6%	8%	0%	0%	5%	0%	3%	0%	7%	3%	1%	0%	3%

Score basis: Participants were asked to select up to 5 terms that are the most frequent cause of a claim, hence the different metrics (%).

Some sectors have been excluded because they had too few responses to provide reliable data.

Sectors' top 10s that are not within the overall top 30 are not shown.

Where a sector has more than 10 terms highlighted, this means that some terms have been ranked equally within that sector.



Results: Most Negotiated Terms top 30 compared to past years

Rank 2020	Average 0-4 scale 2020	Term	Change from 2018	2018	2015	2014/13	2012	2011	2010	2009	2008	2007
1	3.1	Limitation of Liability	0	1	1	1	1	1	1	1	1	1
2	2.9	Price / Charge / Price Changes	+1	3	3	2	3	3	3	3	3	4
3	2.9	Indemnification	-1	2	2	3	2	2	2	2	2	2
4	2.8	Delivery / Acceptance*	+7	11	10	10	12	8	8	7	9	8
5	2.7	Scope and Goals / Specification	0	5	11	5	6	5	6	8	8	9
6	2.7	Termination	-2	4	9	4	8	11	7	6	7	11
7	2.7	Data Privacy / Data Security / Cybersecurity / Security*	+3	9	18	17	18	15	5	5	10	7
8	2.6	Payment	0	8	5	9	16	7	18	-	15	15
9	2.6	Responsibilities of the Parties	+3	12	12	12	4	16	12	14	-	-
10	2.6	Warranty	-4	6	7	8	7	4	4	4	4	3
11	2.5	Liquidated Damages	-1	10	13	6	20	14	13	12	5	5
12	2.5	Service Levels	+3	15	4	15	14	10	5	5	10	7
13	2.5	Intellectual Property	0	13	6	13	11	17	15	13	-	-
14	2.4	Confidential Information / Non disclosure	2	16	14	14	17	19	16	19	14	19
15	2.4	Term	+2	17	17	16	10	13	11	15	12	12
16	2.3	Invoices / Late Payment	-2	14	15	11	5	6	9	9	11	10
17	2.3	Amendments to Contract	New	-	-	-	-	-	-	-	-	-
18	2.2	Performance / Guarantees / Undertakings	-11	7	8	7	9	12	10	11	13	14
19	2.2	Insurance	-1	18	16	New	-	-	-	-	-	-
20	2.1	Adherence to Policies (environmental, security, etc.)	New	-	-	-	-	-	-	-	-	-
21	2.1	Product Specification	0	21	20	19	13	23	22	22	18	15
22	2.0	Regulatory compliance	-3	19	22	18	34	-	-	-	-	-
23	1.9	Information Access and Management	-1	22	24	20	15	21	19	16	16	17
24	1.9	Change Management	0	24	25	21	19	18	17	17	-	-
25	1.9	Force Majeure	+3	28	30	24	25	24	24	26	22	27
26	1.9	Dispute Resolution	-6	20	23	30	27	-	-	-	-	-
27	1.7	Rights of Use	-4	23	21	22	22	30	29	29	-	-
28	1.7	Communications and Reporting	-3	25	29	23	29	20	20	18	17	18
29	1.7	Audits / Benchmarking	-3	26	26	New	-	-	-	-	-	-
30	1.7	Applicable law / Jurisdiction	New	-	-	-	-	-	-	-	-	-

Score basis 0 = Rarely / Never 1 = Sometimes 2 = About half of the time 3 = Often 4 = Most of the time / Always

The 2020 list on this chart differs slightly from the list of terms on page 4 of the report as, for the purposes of comparison against other years, we had to combine some terms (these are marked with an *). This year our survey separated the terms to gather more accurate data on how each term was being negotiated during the pandemic.



Results: Most Important Terms top 10 compared to past years

	2020	2018	2015	2014/13
1	Delivery / Acceptance*	Scope and Goals / Specification	Scope and Goals / Specification	Scope and Goals
2	Scope and Goals / Specification	Responsibilities of the Parties	Responsibilities of the Parties	Responsibilities of the parties
3	Data Privacy / Data Security / Cybersecurity / Security*	Price / Charge / Price Changes	Service Levels	Change Management
4	Responsibilities of the Parties	Delivery / Acceptance	Delivery / Acceptance	Delivery / Acceptance
5	Price / Charge / Price Changes	Service Levels	Price / Charge / Price Changes	Communication and Reporting
6	Service Levels	Performance / Guarantees / Undertakings	Performance / Guarantees / Undertakings	Price / Change
7	Limitation of Liability	Limitation of Liability	Warranty	Service Levels
8	Change Management	Payment	Product Specification	Performance / Guarantees
9	Warranty	Warranty	Communications and Reporting	Payment
10	Termination	Product Specification	Limitation of Liability	Limitation of Liability

The 2020 list on this chart differs slightly from the list of terms on page 4 of the report as, for the purposes of comparison against other years, we had to combine some terms (these are marked with an *). This year our survey separated the terms to gather more accurate data on how each term was being negotiated during the pandemic.

About World Commerce & Contracting

World Commerce & Contracting is a not-for-profit association dedicated to helping its global members achieve high performing and trusted trading relationships. With 70,000 members from over 20,000 companies across 180 countries worldwide, the association welcomes everyone with an interest in better contracting: business leaders, practitioners, experts and newcomers. It is independent, provocative and disciplined existing for its members, the contracting community and society at large.



About Icertis

With unmatched technology and category-defining innovation, Icertis pushes the boundaries of what's possible with contract lifecycle management (CLM). The AI-powered, analyst-validated Icertis Contract Intelligence (ICI) platform turns contracts from static documents into strategic advantage by structuring and connecting the critical contract information that defines how an organization runs. Today, the world's most iconic brands and disruptive innovators trust Icertis to fully realize the intent of their combined 7.5 million+ contracts worth more than \$1 trillion, in 40+ languages and 90+ countries.

Tim Cummins, President
tcummins@worldcc.com

Sally Guyer, Global CEO
sguyer@worldcc.com

General or Media Enquiries
info@worldcc.com

www.worldcc.com

