

NLU DELHI – HSF INTERNATIONAL NEGOTIATION COMPETITION 2016

National Law University, Delhi

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PRELIMINARY ROUND 1: *License to Stream*

**NEGOTIATION PLAN FOR GPT**

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## STRENGTHS AND WEAKNESS OF PARTIES

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### **Strong Points for GPT**

1. GPT, one of top four big Television production companies, is known to produce critically acclaimed and well received hit shows, especially popular with young viewers.
2. GPT's biggest hit show MCD, currently available only in three areas, is based on a fantasy series that attracts a young audience and has the potential to grow as a brand.
3. In the pipeline is a show based on Tedra which is a potential best seller for a new market.
4. We already have a successful working relationship with Topstream for collaborating on successful shows, and existing agreements, including for the streaming of MCD.

### **Weak Points for GPT**

1. The future of MCD after the third season raises issues regarding the lack of an established storyline. Fans fear that Meredith Benson, aged 79 years will not live to complete the story. Further, all that has been written has already been aired.
2. MCD's fantasy based characters and nudity may face censorship in face of the restrictions imposed by Tedra Government on all streamed content.
3. Despite restricted availability, 10% of the world has already seen MCD by means of the illegal download market.
4. The controversial behaviour of the main actor of MCD has given rise to a Suit for damages.

### **Strong points for Topstream**

1. Topstream is a popular TV subscription Service with 70 million subscribers around the world, especially in America and Europe.
2. Topstream has announced an expansion strategy for Asia. It will launch streaming services in Tedra for which it has already secured necessary regulatory consent.
3. Topstream has a successful past working relationship with GPT, and existing agreements including for streaming of MCD in Oldland, Newland and Farland.
4. Topstream provides an attractive streaming only policy as opposed to download and watch later model of rivals.

### **Weak Points for Topstream**

1. Market research suggests that Europe and America, where majority of Topstream's subscribers are based, is nearing market saturation.
2. The Government of Tedra has announced restrictions on fantasy based characters and nudity in all streamed content.
3. Topstream will be affected by the illegal download market that plays a vital role in bringing down viewership.

## GPT'S NEGOTIATION STRATEGY

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GPT and Topstream have already proven themselves to be a winning combination with their past of producing several successful shows. MCD has the potential to be the biggest hit, and Tedra will be the key to negotiating collaboration. The parties are both looking to expand into

an unexploited and young market that can bring in more subscriptions. This underlying common objective can be realised by clearly communicating and clarifying interests. Our first goal will be to clarify the controversy surrounding our main actor. Further, we will reassure Topstream about the continuity of the MCD storyline and our prospective plans. Information gathering will be important to understand Topstream's policy on streaming, viewership, and future concerns.

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### **DIVISION OF ROLES AND TACTICS**

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GPT's MD has been delegated the job of lead negotiator and would keep the pre-negotiation plan preserved. The MD's task is to inspire confidence in Topstream with regard to the options generated for the contract. The focus of the Negotiation will be directed towards a win-win situation by means of mutually concentrated efforts.

GPT's Counsel will assume the role of decision maker. The Counsel will review the policy decisions of Topstream and clarify legal standpoints. Counsel will aim to secure contractual technicalities and advise the MD on matters at hand.

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### **INTERESTS AND OBJECTIVES OF PARTIES**

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#### **GPT's Interests and objectives**

1. Secure a 5-7 year contract at the earliest and adjust the financial aspects accordingly.
2. Maintain confidentiality and safeguard contractual obligations to Meredith Benson.
3. Secure a strictly 'streaming only' policy from Topstream with regards to MCD.
4. Avoid granting exclusive rights to Topstream for any shows.
5. Be assured on matters of permissions, extent of censorships and illegal downloads.
6. Commitment as to frequency of airing of shows.
7. Solidify reputation in Tedra, and license new Tedra based show and other shows.

#### **Topstream's likely Interests:**

1. Capitalise on seasonal growth in the run up to Christmas with launch of Asia strategy.
2. License a new hit TV show to headline its subscription service in the new market.
3. Look for potential future shows to support the region and secure future license.
4. Be assured on the future storyline of MCD and commitment of the Author.
5. Acquire exclusive rights form GPT over some TV shows.

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### **BATNA FOR PARTIES**

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#### **GPT's BATNA**

Given the fact that GPT has in the past streamed MCD only through Topstream's various operations, GPT will continue to steam MCD with Topstream in Tedra, but will look for another competitor to stream their new Tedra based show.

#### **Topstream's likely BATNA**

Topstream retains the option of going with another of the Top four big Television production Company, or tying up with an Asian Television production agency.