
NLU DELHI – HSF INTERNATIONAL NEGOTIATION COMPETITION 2016

National Law University, Delhi

In the matter of:

Topstream plc (“Topstream”)

&

GPT

NEGOTIATION PLAN

GPT

Strategic strong points

GPT

- Reputation: GPT is known for producing hard-hitting and critically acclaimed TV shows that are well-received by audiences in Europe and the Americas, especially with younger viewers. It has already achieved great success with the series MCD.
- Success of the Tedra show: it is believed that the Tedra show will make as big of an impact on the market as MCD has done. As MCD is GPT's biggest hit, this potential success will make it more likely that Topstream will wish to licence the Tedra show.
- The Frecknall dispute: the viewing figures have actually increased as a result.

Topstream

- Existing subscribers: Topstream already has a large subscription base, with 70 million existing subscribers based in Europe and the Americas.
- Expansion into Asia: commentators have identified Asia as a region of huge potential for expansion for Topstream, which is an untapped market.
- Regulatory consents: Topstream have already secured all regulatory consents for their streaming service, which will allow ease of access to the Tedra market.

Strategic weak points

GPT

- Meredith Benson: the author of the books that MCD is based on is Meredith Benson, who is aged 79. Fans fear she is close to death, and may not complete the series.
- The Frecknall dispute: the Frecknall dispute appears negative on the surface.
- Current viewership of MCD: Despite only being released to less than 5% of the world's population, an estimated 10% of the world have already seen MCD. This diminishes possible returns, as some citizens may have already seen MCD.
- Confidentiality agreement: Topstream will likely want to know what will happen in the event of Meredith Benson's death. GPT are bound by a confidentiality agreement to not reveal that Meredith has provided two senior GPT executives with skeleton plotlines for the rest of the series and its ending.
- Censorship: the Tedra government has publicly stated that it will impose restrictions on any fantasy-based characters and nudity shown in any streamed content. MCD contains aliens and nudity. The aliens are vital as part of Meredith Benson's contract, which will create an issue due to censorship of fantasy-based characters.

Topstream

- Reaching market saturation: market research suggests that Topstream has reached market saturation in Europe and the Americas.
- Lack of establishment: Topstream is not yet established in Tedra, and will have to invest significantly in gaining market share in the Tedra market.
- Censorship: the Tedra government will impose restrictions on any fantasy-based characters and nudity inhibiting any potential screening of MCD.

Needs and interests

GPT

- Extending viewership: GPT has an interest in extending its viewership into countries with a young population, to whom shows like GPT will appeal.
- Securing audience and improving reputation in Tedra: GPT is interested in securing an audience for its shows in Tedra and improving its reputation in the country, due to

its young population and unexploited market making it ideal for shows such as MCD, and GPT starting a new show based in Tedra.

- Maintaining a good working relationship: GPT and Topstream already enjoy a good working relationship, so will wish to maintain this.
- Minimising illegal downloading: GPT would like to minimise the impact of illegal downloading issues, as faced by MCD.

Topstream

- Expansion into Asia: Topstream has an interest in expanding into Tedra, which commentators have identified as a region of huge potential.
- Maintaining a good working relationship: GPT and Topstream already enjoy a good working relationship, so will wish to maintain this.

BATNA

GPT

- To reach an alternative agreement with a rival service of Topstream, such as Nile TV and Instant Video, to stream GPT content in Tedra.

Topstream

- To find an alternative content supplier, who can provide a hit show to headline its subscription service in the Tedra market.

Objectives and Goals

GPT

- Length of contract: GPT would ideally like the contract to be seven years.
- Payment: GPT would like to be paid at least £40 million per year. However, they are willing to reduce this to £25 million if they can secure at least a five year contract.
- “Streaming only” guarantee: GPT wants a guarantee that the “streaming only” rule of Topstream will continue, at least for any content they provide.
- Package deal: Want to show others GPT shows on Topstream. Ten shows are flagged for this purpose, plus an additional five. They wish to licence these shows for £30 million/year for the next three years, with a review period at the end.
- Tedra show: GPT wishes for Topstream to licence the upcoming Tedra show.
- Exclusive rights: GPT wishes to avoid granting exclusive rights to their shows in Tedra, but understand this may not be possible.
- Commitment from Topstream: GPT Topstream to commit as to when and how often the show will be aired, with provisions included if they fail to achieve this.
- Censorship: GPT require that all alien scenes in MCD remain in the show, due to their contract with Meredith Benson, and would like to keep as much nudity as possible. They are willing to make concessions, but would prefer not to make a full concession.

Topstream

- Licences: Topstream needs to licence content to stream in Tedra. They are specifically looking to licence a new hit TV show to headline its subscription service in Tedra.
- Maximising viewership and revenue: Topstream will wish that the deal with GPT will secure the maximum viewership and subscription revenues and cement their brand as the number one provider of high quality content in Tedra.