

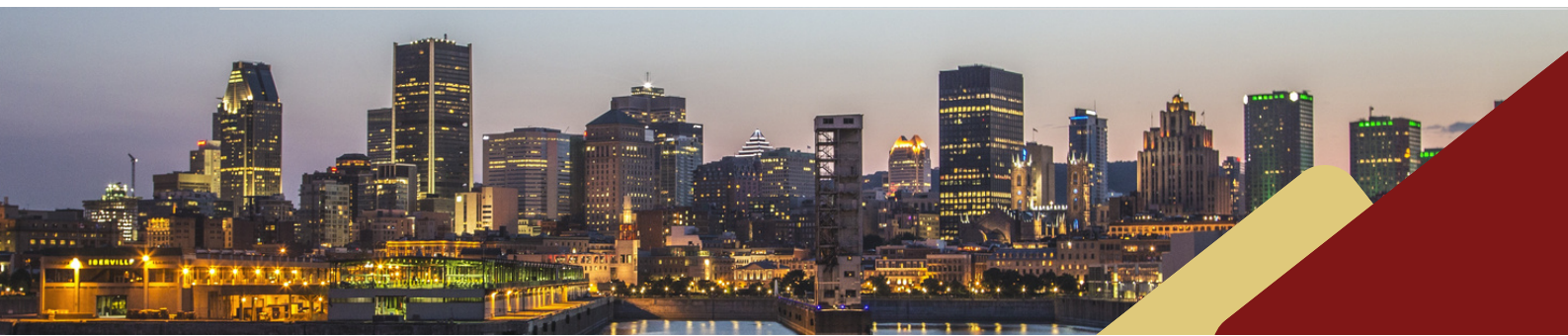


CONCOURS INTERNATIONAL D'ÉTUDE DE CAS MBA
JOHN & MOLSON
MBA INTERNATIONAL CASE COMPETITION

2023

GUIDE FOR SCHOOLS

1st January - 6th January
Montreal, Quebec - Canada



KATHERINE CREWE

ICD.D FCAE P.ENG.

Chairwoman, Board of Directors,
JMSB MBA International Case Competition

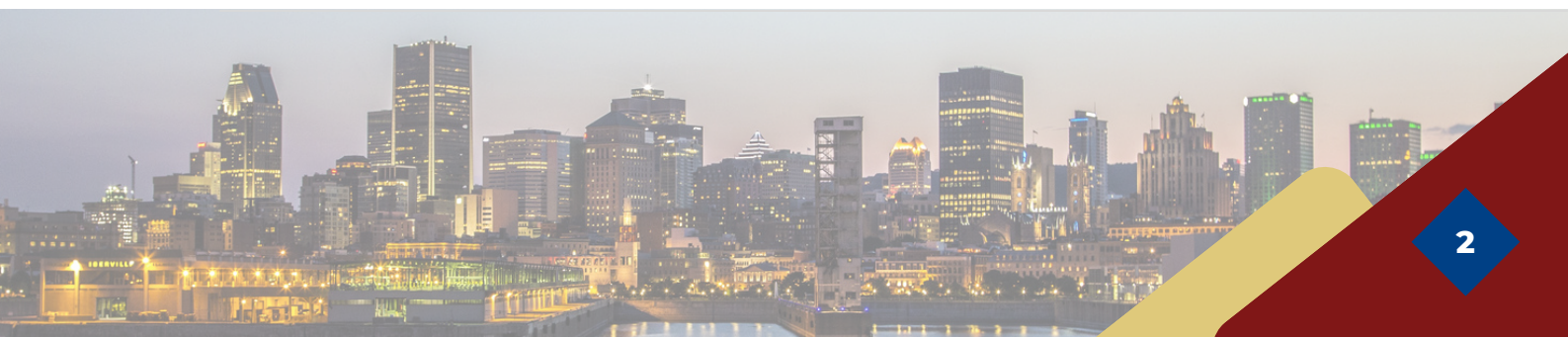


On behalf of the Board of Directors from the John Molson School of Business International Case Competition, Welcome back! This year marks the 41st anniversary and we are filled with excitement and anticipation in witnessing tomorrow's business leaders perform at their highest levels as we happily welcome them back in person.

I would like to thank each and every Participant and Coach for sticking by us while we took the year to work on all those "rainy day" behind the scene improvements we have been wanting to accomplish for some time.

For those Universities and Business Schools returning to the JMSB ICC, we are thrilled to have you back. For those new Universities and Business Schools joining for the first time, welcome, we are excited to have you with us! Your experience will be what you make it, and your opportunities to connect and form valuable relationships will only be limited by the limits you place on yourself.

The opportunities are priceless. Thank you all once again and enjoy this year's event!



ACKNOWLEDGMENT

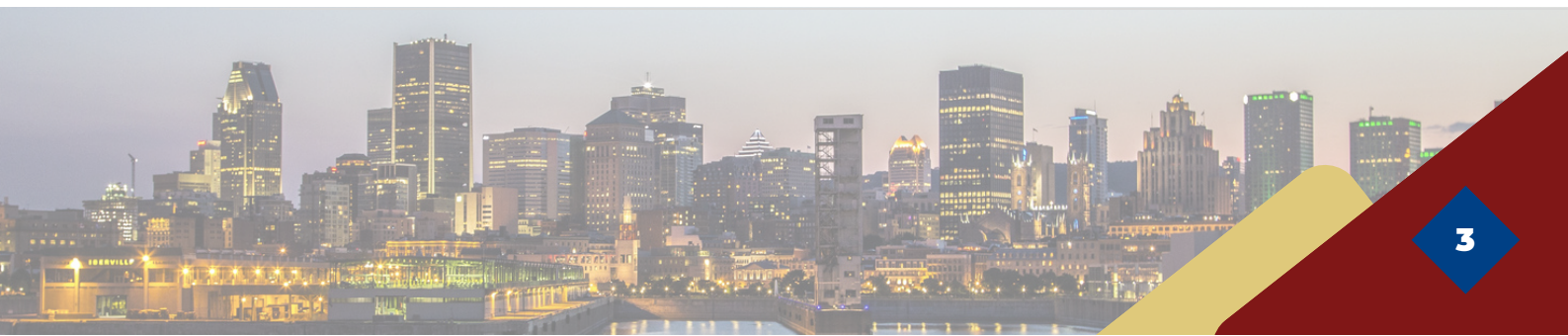


The original Guide for schools was prepared in 2007 by Memorial University of Newfoundland who has participated in the John Molson MBA International Case Competition since 1985. It was recognized that providing a guide for schools that were new to the competition would be helpful. The organizers of the 2007 John Molson MBA International Case Competition, together with Sir Wilfred Laurier University and Université Laval helped review and edit the original manual.

In the light of changes implemented at the 2014 competition, this Guide was changed in to reflect the new competition format. Memorial University, along with the organizers of the 2023 John Molson MBA International Case Competition, have further updated the manual for the 2023 competition and we hope you find the document useful.



Dr. Peggy Coady
Memorial University of Newfoundland
September 2015



ORGANIZER COMMITTEE

The John Molson International Case Competition is the oldest and largest event of its kind. Since its inception in 1981, this prestigious event continues to provide a unique and international networking experience for students, academia, and business executives.

For the past 41 years, the organizers, volunteers, judges and sponsors, have contributed to creating more than just a competition – it is an opportunity to innovate, connect and compete.

We thank our participants and coaches for all the effort you have put these months into the preparation for this competition.



From left to right: Bhagyesh Parekh, Harsh Jaswal, Tara Brohman, Corina Balan, Lucía Cieza de León, Rahul Agrawal, Mehul Bawa, Farshad Mahmudi

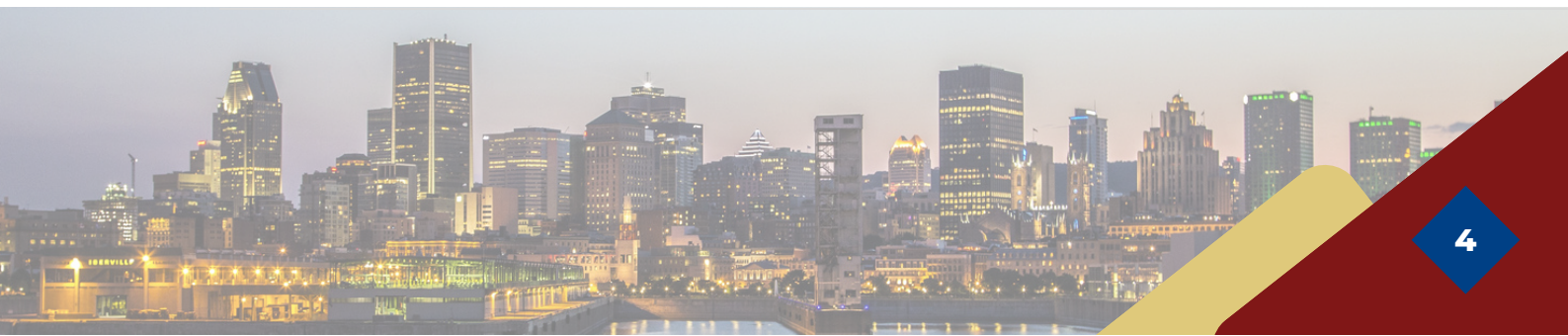
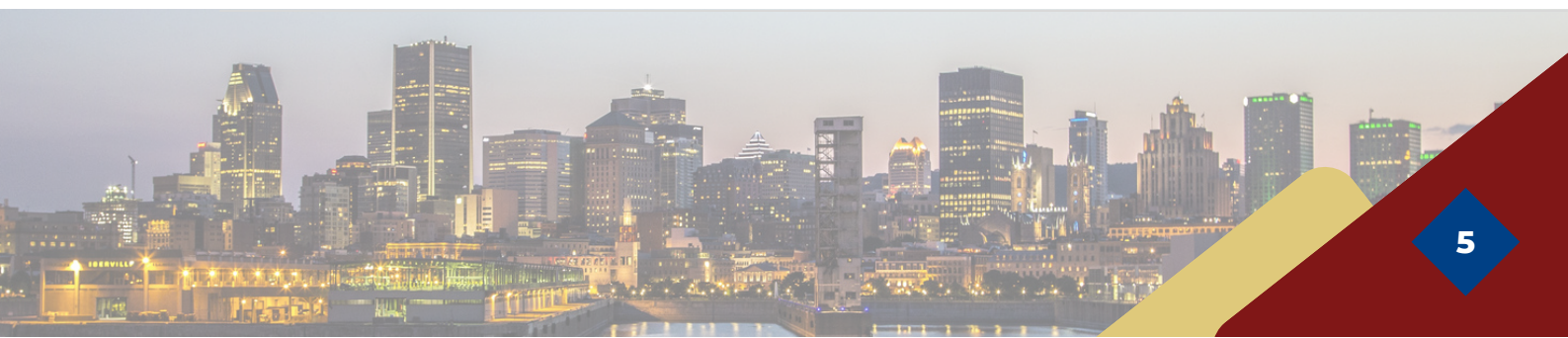


TABLE OF CONTENTS

1	INTRODUCTION TO THE GUIDE	6
2	COMPETITION	7
3	SELECTING THE TEAM	8
3.1	INDIVIDUAL PRESENTATION METHOD	9
3.2	GROUP PRESENTATION METHOD	10
3.3	CASE COURSE METHOD	12
4	PREPARATION FOR THE COMPETITION	14
4.1	COUNTRY RESEARCH	15
4.2	INDUSTRY RESEARCH	16
4.3	PREPARATORY CASE(S)	17
4.3.1	<i>HOW TO READ A CASE</i>	18
4.3.2	<i>HOW TO DISCUSS A CASE</i>	19
4.3.3	<i>HOW TO DIVIDE THE WORK</i>	21
4.3.4	<i>FINAL 5 MINUTES</i>	23
4.3.5	<i>PRESENTING THE CASE</i>	24
4.3.6	<i>QUESTION PERIOD</i>	25
5	MATERIALS TO BRING	27
5.1	PREPARATORY MATERIAL	27
5.2	SUPPLIES	27
5.3	ATTIRE	28
6	ARRIVING IN MONTREAL	29
6.1	SPEAKING FRENCH	29
6.2	IMPORTANT LOCATIONS IN THE HOTEL	30
6.3	SNACKS AND BEVERAGES	31
7	THE FIRST CASE	32
8	DOUBLE CASE DAY AND LIVE CASE	34
8.1	DOUBLE CASE DAY	35
8.2	LIVE CASE DAY	36
9	WINNING AND LOSING	37
10	SOCIAL EVENTS AND NETWORKING	38
11	NEXT YEAR, NEXT STEPS	40
12	APPENDICES	42
	APPENDIX A: COMPETITION APPLICATION FORM	
	APPENDIX B: EVALUATION FORM	
	APPENDIX C: SCORING GUIDELINES	
	APPENDIX D: SAMPLE CASE	



1. INTRODUCTION TO THE GUIDE

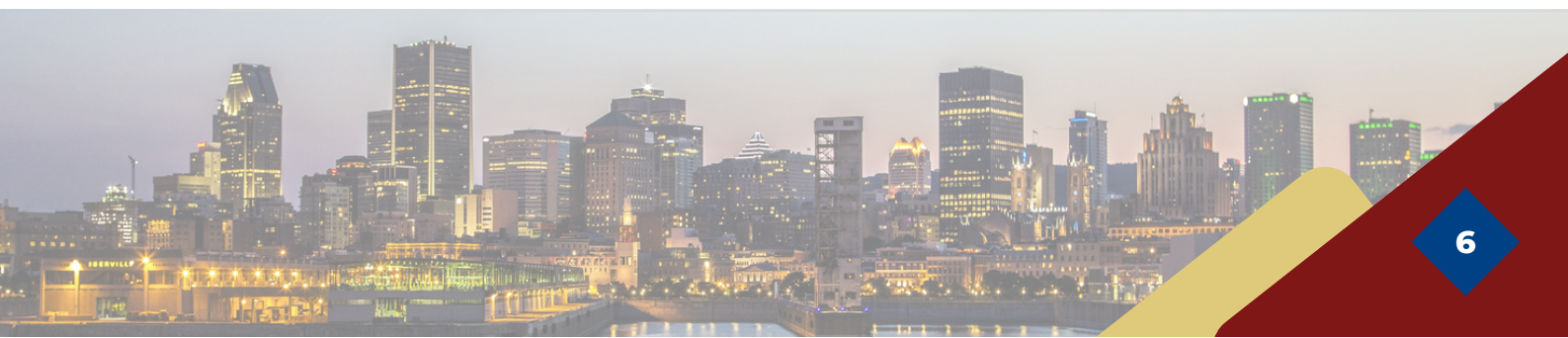
The John Molson MBA International Case Competition is the largest and one of the most prestigious case competitions in the world. Thirty-six teams from countries throughout the globe participate in this week-long event and their experience varies from first-time participants to veteran schools that have competed for decades.

The purpose of this guide is to help all teams prepare for the John Molson MBA International Case Competition.

The basic strategies teams could take when preparing and presenting a case are outlined. This guide also includes advice on how to select a team and what to expect at the competition. Furthermore, the information provided will help to ensure that teams experience all aspects of the competition including the non-case events. Participants have great opportunities to meet and network with senior business executives attending the competition either as judges or sponsors. Networking with other MBA students from all over the world is also another benefit of participating in this reputable event. A relaxing environment conducive to maximizing the intended benefits of these networking events is provided by the organizing committee.

By being prepared for the competition, teams are ensured that they will experience a week like no other and one that they will cherish and talk about throughout their careers.

Good luck to all teams!



2. **COMPETITION**

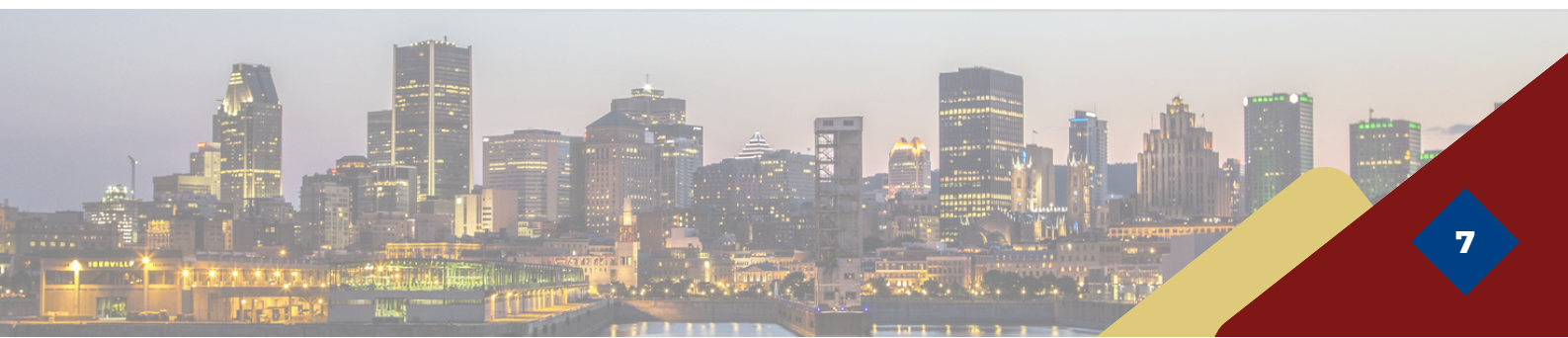
The John Molson MBA International Case Competition is a not-for-profit event organized by a team of MBA students from the John Molson School of Business at Concordia University. The competition is open to top business schools worldwide and is recognized as the largest competition of its kind. Its main purpose is to bridge the gap between the corporate and academic worlds, which ultimately enriches both students and executives alike.

The competition format is a round-robin tournament consisting of five business cases. One of these cases is a Live Case presented by members of an organization that is currently facing a real-life business challenge.

With normally only three hours to prepare, teams of four students analyze and evaluate unpublished business cases using the skills, knowledge, and experience they have acquired from their respective MBA curriculums. During the preparation time, each team may bring their own laptop (1 per participant.) and will have access to internet to upload their analysis to a cloud service. Access to external communication platforms is not permitted. The teams are expected to present their case in a PowerPoint to a judging panel. The presentation should demonstrate the student's ability to analyze problems/issues and develop strategic recommendations and a feasible implementation plan for the organization featured in the case.

More than three hundred senior business executives serve as judges, using their unique backgrounds, experiences, and perspectives to critically assess the participants' presentations. Teams are judged on the quality of the analysis, presentation, question and answer period, and recommended course of action.

Following the round-robin tournament, nine teams advance to the semi-finals for the opportunity to compete in the three-team final.

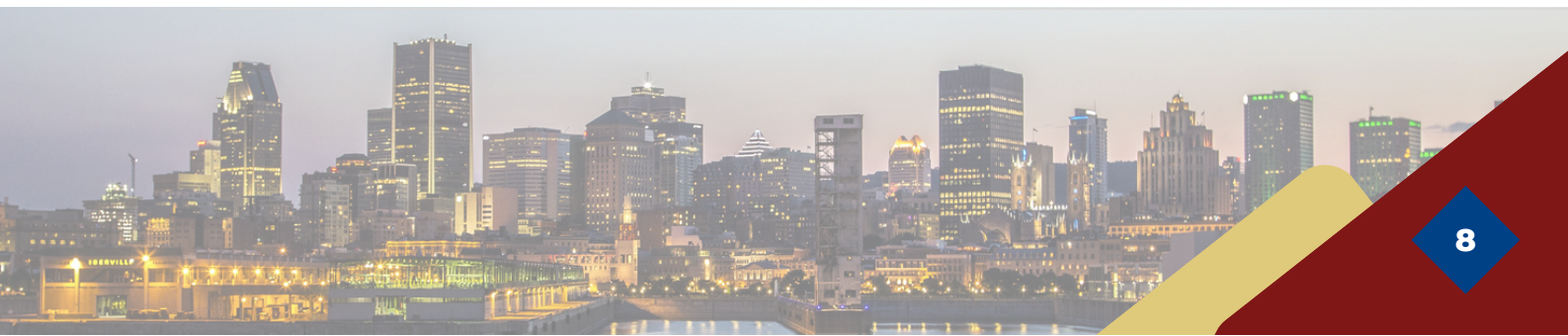


3.

SELECTING THE TEAM

There are several methods that the coach may use when selecting their case team. One method is to have interested students present cases to the coach individually or in groups as part of a try-out session. Secondly, there is the course method where the university offers a Business Case Course or Directed Study where students learn how to read, evaluate, and present cases for course credit.

The coach would normally review resumes, transcripts, and any other information provided by students to aid them in the team selection process. A sample application template is available in
Appendix A – Competition Application Form



3.1

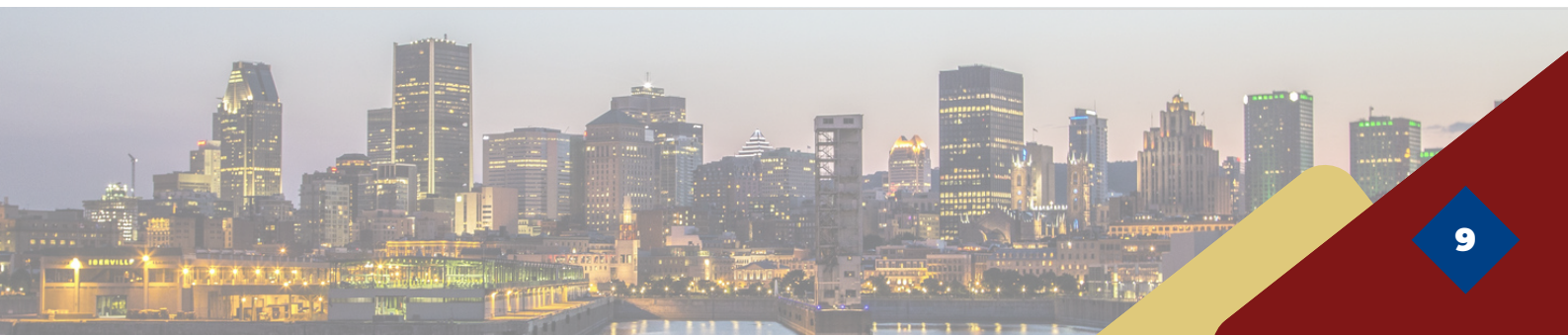
INDIVIDUAL PRESENTATION METHOD

The individual presentation method of selection can be used to either select 5 individuals (4 participants plus 1 replacement) that will make up the case team or as a pre-selection tool for the group presentation selection method. With this technique, students should be given a case to prepare in advance. Each student will then be given a maximum of 25 minutes to present the case to the coach using PowerPoint.

Students should be provided with the judging criteria that will be used during the competition to score the teams.

The judging scoring criteria list is available in **Appendix C– Scoring Criteria.**

During the presentations, each student should be judged using the scoring sheet provided in **Appendix B: Evaluation Form.** After each student has presented, the coach should rank the students. Discretion may be used to decide the five students who will makeup the case team; however, normal practice would be to select the top five scores.



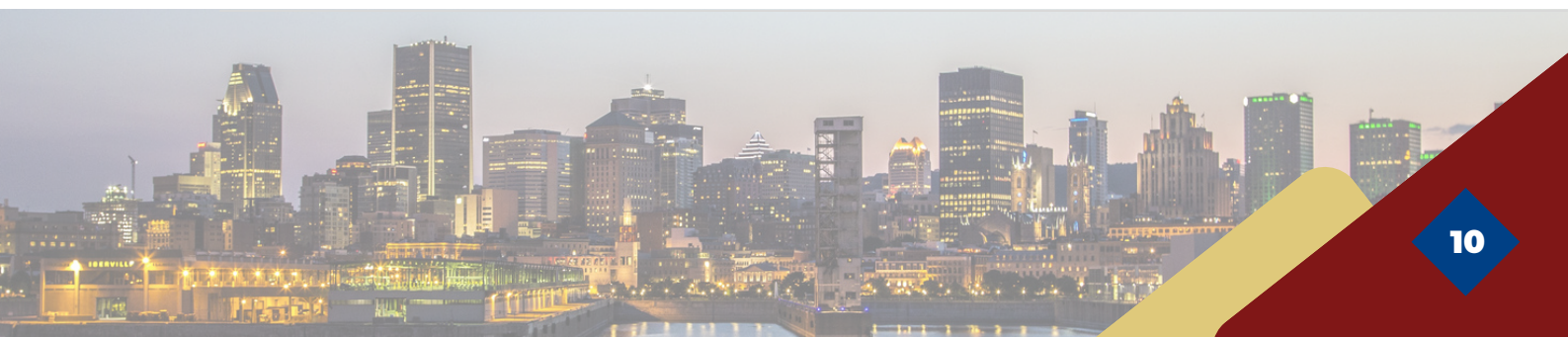
3.2

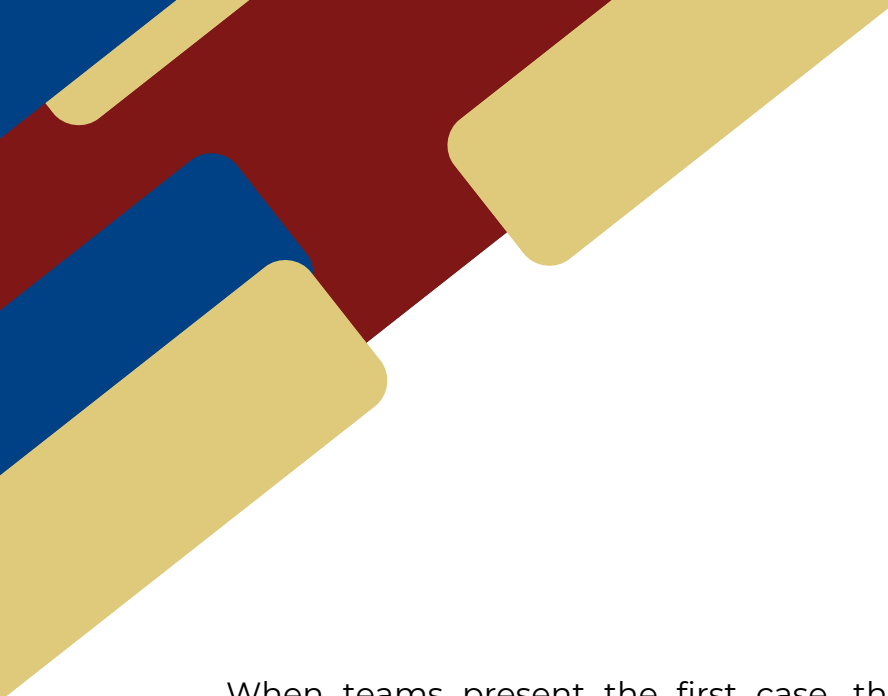
GROUP PRESENTATION METHOD

The group presentation method for selecting a team is used to view how students will work as a team and in the role that they have been designated. The role of the coach is to not only critique the team as a whole but also to assess individual performance. Selecting a group of the top 5 individuals isn't always the best approach. A winning team is the group that can work in tandem with each other and present a strong case.

The coach should form initial teams based on the background information provided by the students. Well-rounded teams should be formed comprising of individuals from diverse backgrounds. For example, one member could have a marketing background, one with an accounting/finance background, one with a science or engineering background, and one with a background in arts.

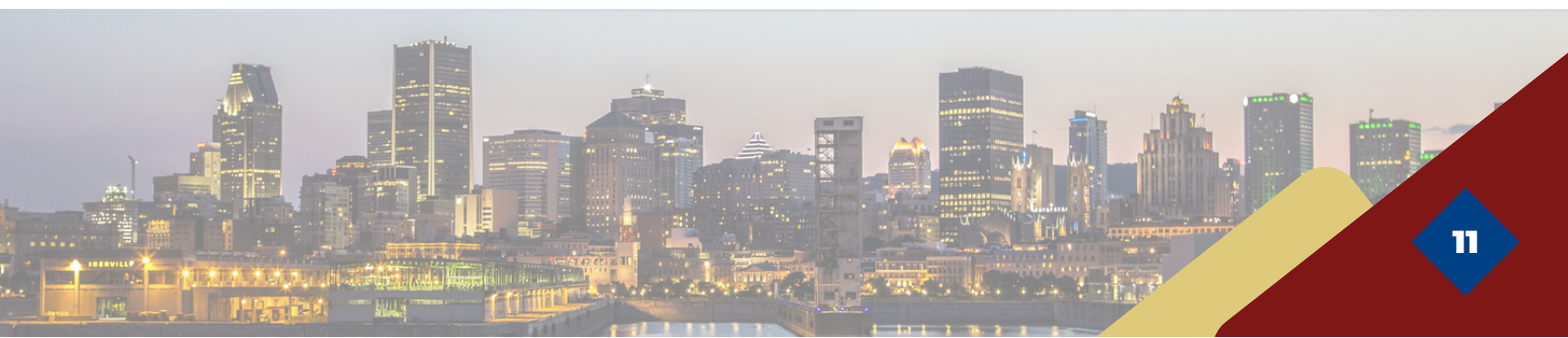
Once the team is formed, the coach should designate roles to each team member based on the background information provided by students. For example, someone with strong analytical skills may be best suited for the analysis portion of the case presentation. A problem-solving skill set may be best for implementation, etc. Once the roles have been set, the next step is to decide on the method with which the teams will review the case.





When teams present the first case, the coach should use the same scoring method as the individual case presentations. The coach should also rank the students on their roles in order to determine the suitability of the student for that role. This will allow the coach to rearrange teams to ensure that the roles assigned utilize each team member's skill set to the maximum.

One approach the coach may wish to explore is to observe teams as they prepare. The coach could sit with the team(s) for short periods of time while the teams prepare their case. This will allow the coach to observe how the team members are interacting and organizing themselves and to point out any weak links or overly argumentative individuals. From the presentations, the coach should be able to determine the best fit for the team and select the individuals accordingly.



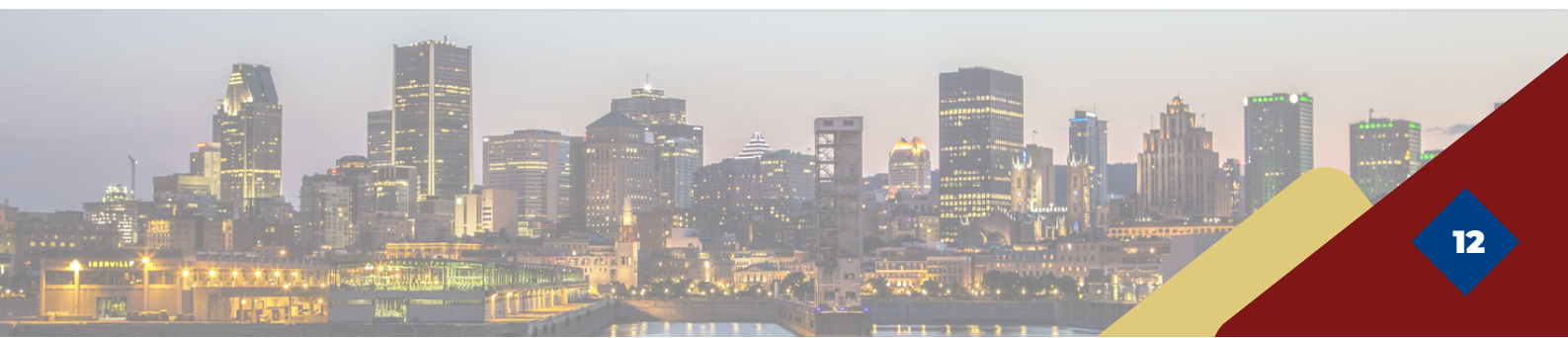
3.3

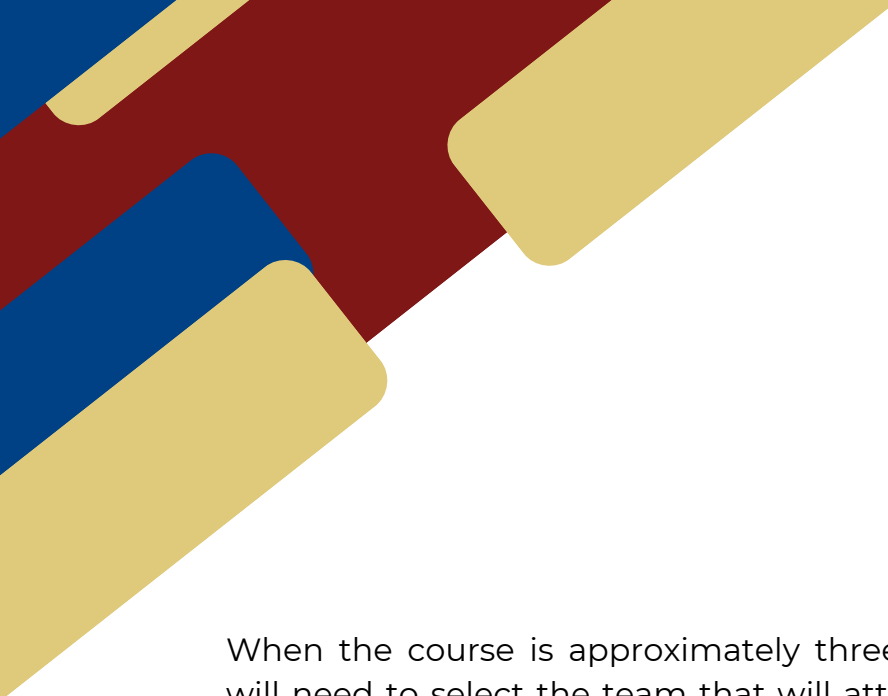
CASE COURSE METHOD

Some universities offer a course that teaches students how to evaluate and compose solutions to business cases. The focus of these courses may vary. While some of these courses focus on specific cases such as international marketing or accounting, others focus on general business cases. Regardless of the focus of the course, coaches may wish to tailor the course to focus on training students for the competition. This is a difficult option as it will involve obtaining approval for the course, but if put in place, it can prove to be one of the best methods for selecting a team and fostering a culture of case analysis within your school.

This method is very similar to the group presentation method in terms of how a team is selected, the major difference is that students who wish to try out for the case team will need to enroll in the course.

The first quarter of the course should concentrate on educating students on how to prepare for a case (for more information on preparation see [Section 4 – Preparation for the Competition](#)). After students receive guidance from the coach, teams should be formed and presentations should begin. The coach may wish to change group members in order to build the best teams possible. However, too many changes may be counterproductive as students will not be able to get to the level of comfort and familiarity needed to perform well as a team.

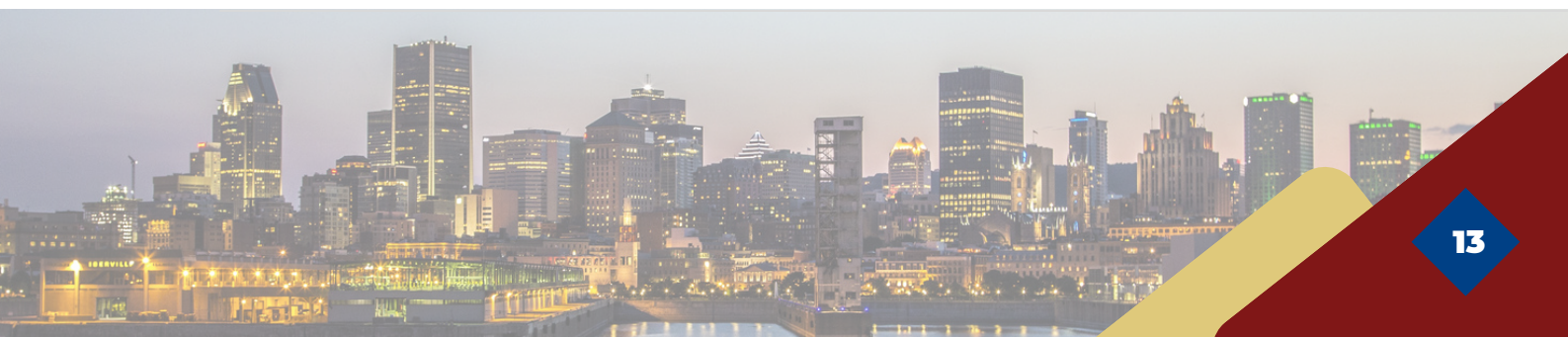




When the course is approximately three-quarters complete, the coach will need to select the team that will attend the competition and begin final preparations. For those students who have not been selected to attend the competition, the coach may wish to either use them as judges or to continue to have them give presentations in order to determine grades for the course.

It is recommended that the team selected to attend the competition completes at a minimum of one case per week for the remainder of the course. This will allow the team to become familiar with the time constraint of the competition and with the styles of each team member. If the timetable of the school does not allow for 4 consecutive hours for a class, the team may be required to attend school after hours or on weekends in order to have the amount of time needed to prepare and present a case.

The case course method will benefit the coaches, as it will allow them to dedicate time during their workday to improve the team and coaching methods. The course method will also aid in gaining the support of the school to help finance and support sending a team to the competition. With increased support of the school and faculty, the coach will have the ability to attain the resources necessary to fully prepare the team.



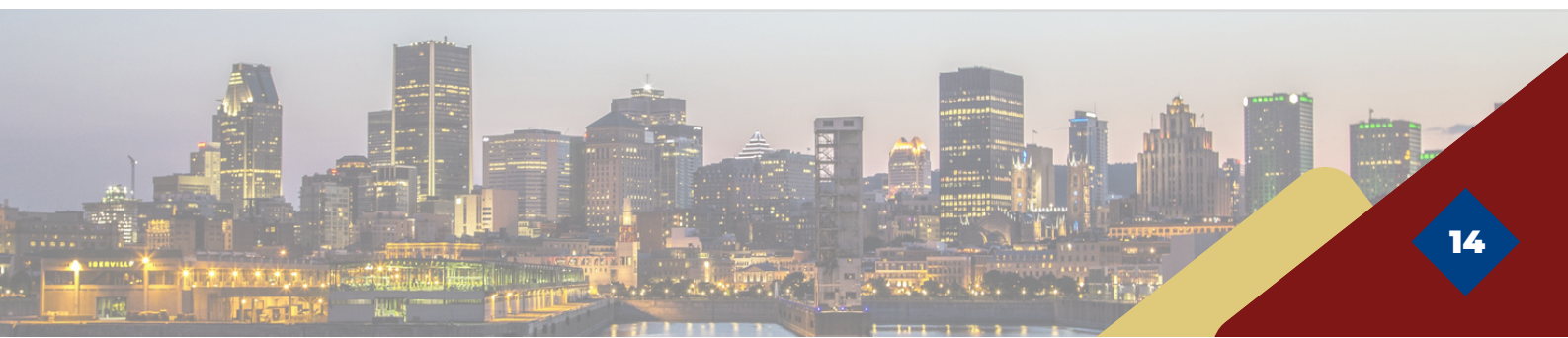
4.

PREPARATION FOR THE COMPETITION

Once a team is selected preparation must begin immediately in order to complete enough practice cases prior to the competition. Teams should complete a minimum of 4, to a maximum of 12 preparations cases. Team members should also become familiar with different areas of the world and how they conduct business, as the cases may be set in one or many countries around the world. Finally, the team should familiarize itself with different industries and the cultural nuances they may have.

It is important that, when the preparations begin, the coach and the team members be aware of the official rules of the John Molson MBA International Case Competition, which can be found at <http://mbacasecomp.com/competition/rules>. Also it is very important to review and possibly practice with cases used in previous years of the competition. A sample case from the 2017 competition is available in **Appendix D: Sample Case**.

Furthermore, if you required example cases or presentations from previous competitions just write to the Schools Organizer, Mehul Bawa: mehul.bawa@mbacasecomp.com



4.1

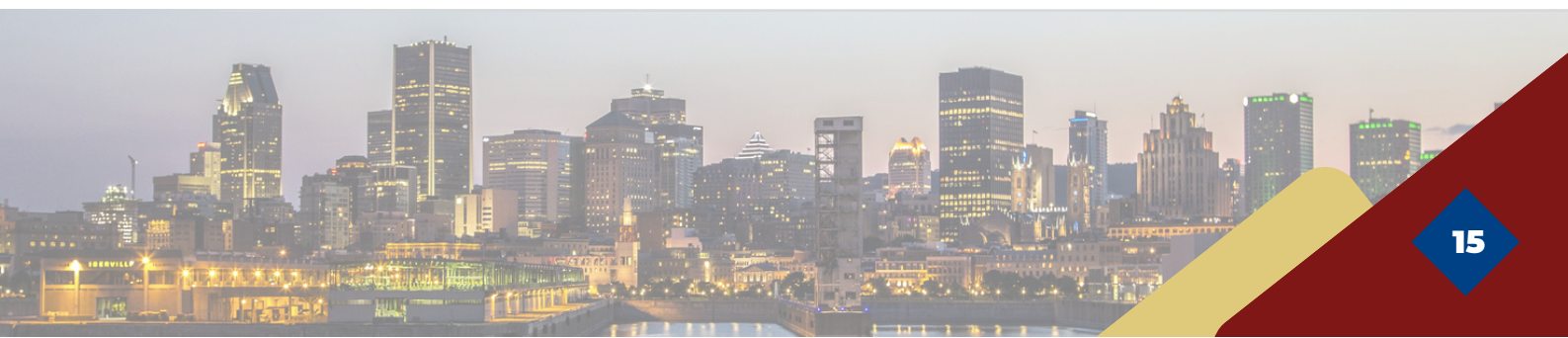
COUNTRY RESEARCH

Due to the international nature of the competition, it is advised that the team become familiar with several geographic areas. Each team member should be tasked with one or two areas in which they are to complete a summary.

The summary should include information such as population, geography, political and economic environment, imports, exports, most common industries, infrastructure, etc.

Knowing cultural, political, economic, or other local information can add great value when formulating a solution for a case.

We recommend regularly watching the news and specialized youtube channels on analysis of countries' economies or political relations.



4.2

INDUSTRY RESEARCH

Along with country research, teams should become familiar with several industries to ensure they know how they work and what are the key success factors for each industry. Examples of industries that have been in the past cases include:

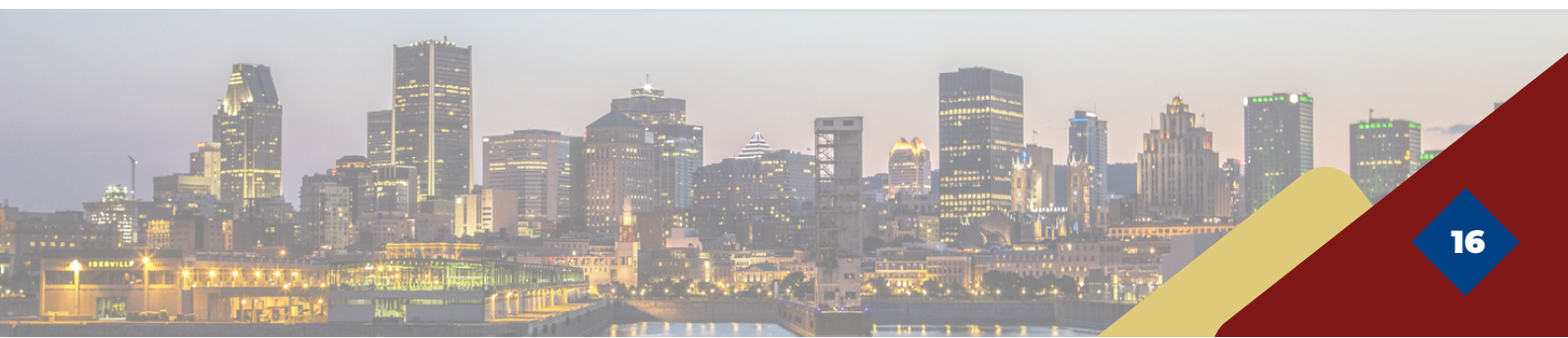
- Airline
- Pharmaceutical
- General Retail
- Small business
- Minerals/Mining
- Banking

Having an understanding of specific industries will be of great value to the teams. Knowing items such as rules and regulation, materials, labor requirements, etc., will all help in the formulation of a solution.

It is also important to understand the products/services of an industry and how they are produced and supplied. For example, knowing that a new drug will take approximately X number of years to get to the market will allow teams to bring realism to their solutions. Unrealistic timelines used might cause the team to lose points, as it will impact realism and practicality of solutions.

Another important reason for conducting industry research pertains to cross industry dependence. In 2007, a live case was presented by **Alcan**, a Canadian producer of aluminum. The major issue within the case involved obtaining the energy needed to produce the aluminum. Knowledge of the power generation industry would have given teams an advantage during the formulation of an implementation plan for this case.

It is impossible to prepare for every possible type of industry in all regions. These are just suggestions to give teams some guidance when preparing for the competition.



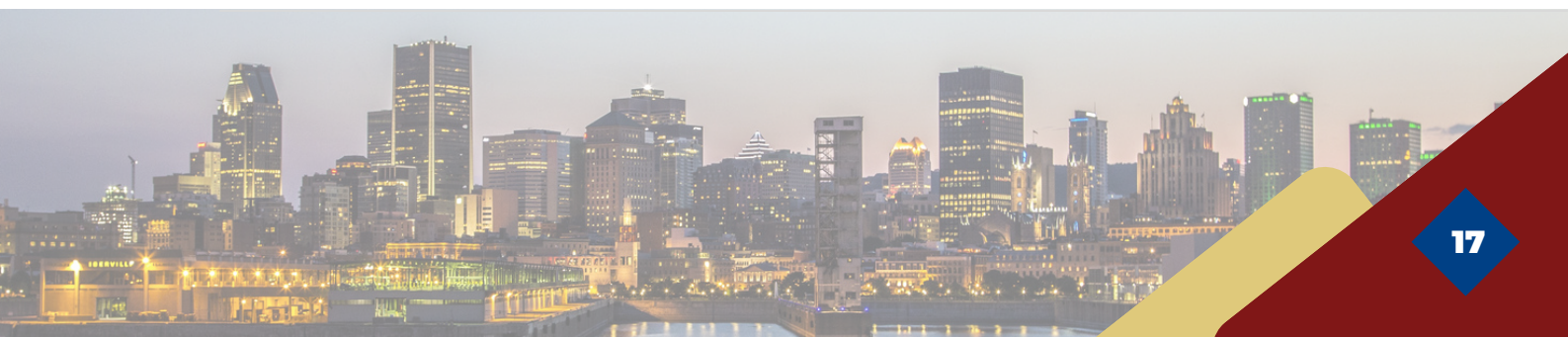
4.3

PREPARATORY CASE(S)

These cases best represent what the team will face when in Montreal. The coach should also seek other cases of comparable difficulty to increase the number of practices the team will have. It will take approximately 7-10 cases before the team is able to work efficiently together within the three-hour time limit.

if you required example cases or presentations from previous competitions just write to the Schools Organizer, Mehul Bawa: mehul.bawa@mbacasecomp.com

The following sections present suggestions for how the team should prepare for all of the components of the case from the preparation to the question period.



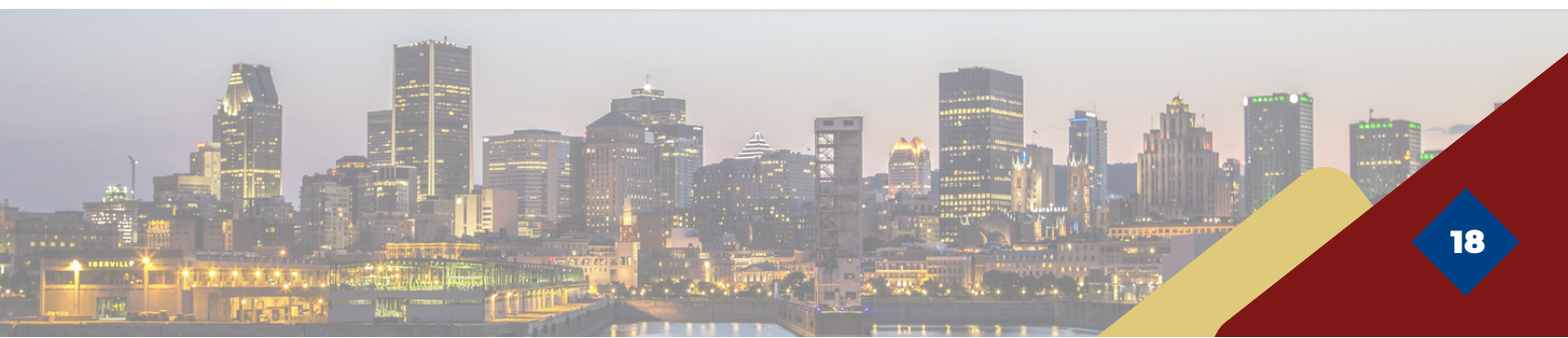
4.3.1 *HOW TO READ A CASE*

A case will usually take 30 to 45 minutes to read from start to finish. When the team first receives the case they should read the first and last paragraph of the case to help determine the problem being presented. Knowing the problem while reading will allow team members to filter out the information they need in order to determine the best solution.

While reading, each team member should make note of key issues within the case, along with noting key pieces of information that will help them with their portion of the case. For example, if a member is given the role of presenting the analysis, he/she should keep notes on strengths and weaknesses of the company, industry information, economical conditions, etc.

It is very important to note exactly where the information is within the case as the team will not have enough time to read it a second time. One alternative is to take note of pages that contain vital information. Another alternative is to simply highlight key points and make short notes next to each highlight that will allow the student to identify the type of information that is highlighted. Whatever the method, each team member should ensure that they stick to one method to avoid confusion during the three-hour preparation time.

As the team becomes more familiar with reading cases they will soon learn which information needs their attention and which can be skipped over.



4.3.2

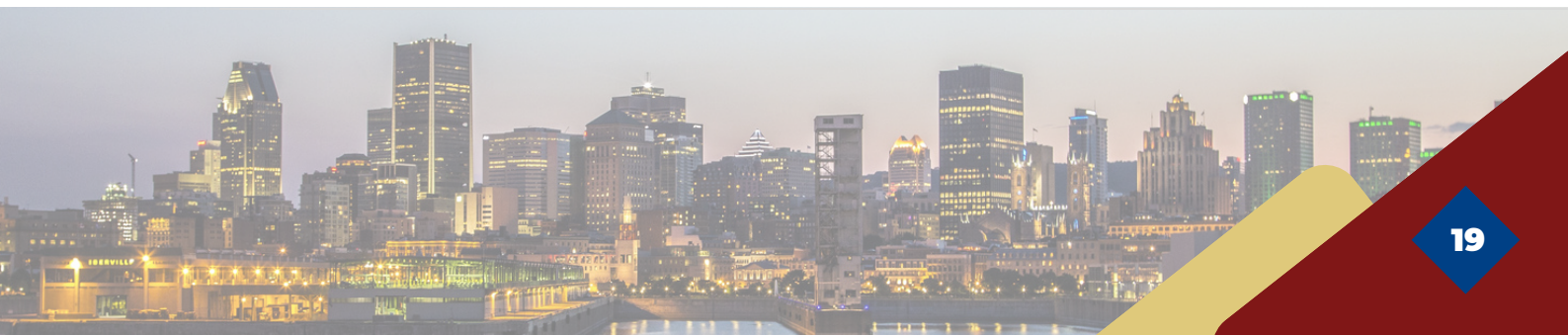
HOW TO DISCUSS A CASE


The discussion must begin immediately after the team has completed reading the case. If a team member finishes earlier than the rest of the team they can begin preparing the slides (heading, design, cover sheet, etc.). This will ensure that the team is utilizing the three hours to the maximum.

One person should be designated as the note taker and it will be their job to put all ideas that are mentioned on display (whiteboard, paper, etc.). It is important to take down all ideas as this will help to narrow down the correct problem, solution, and implementation. The brainstorming period should not exceed 10 minutes. After that, the team will need to begin filtering ideas and making a decision as to what the problem is and what are the possible solutions.

During the discussion, one person should be designated as the timekeeper to ensure that the team does not spend too much time on one topic. The timekeeper should continually inform the team of the remaining of the preparation time.

A good starting point for the team discussion is to identify the main problem presented in the case. The team should spend no more than 15 minutes determining the problem statement. Once the problem is defined, the next logical step is to list all of the key issues presented in the case. This step will help the person who is presenting the analysis, as it is their portion of the presentation that sets up the recommendation and implementation. Furthermore, recognizing the key issues allows the team to formulate a solution that will address most, if not all, key issues within the case.

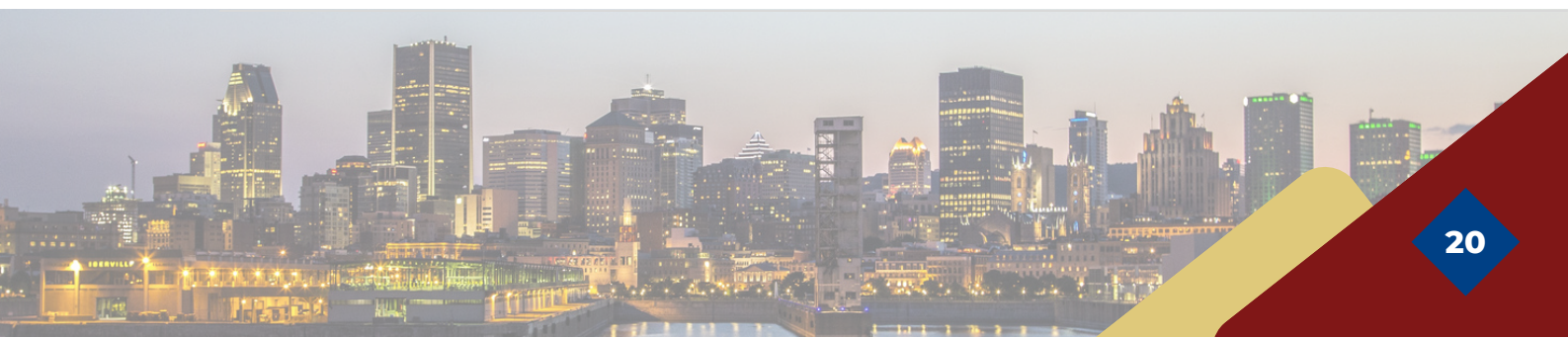




Next, the team must come up with a minimum of 2 additional solutions to the problem. Presenting additional solutions demonstrates that the team has fully understood and discussed the problem at hand. In addition, it clarifies that the selected solution is the optimal one. Every alternative should have advantages and disadvantages, with the final recommendation having the most advantages. It should be noted that status quo is usually not a solution. A team that presents status quo ('Do nothing'), as an alternative will be seen as one that has not fully thought out how to handle the case.

After the alternatives and the recommendation are completed, an implementation plan needs to be created. The discussion should simply allow the team to present, in point form, ideas that will allow the member responsible for implementation to formulate a complete plan. Items that should be discussed include timeframe (how long will it take), cost (order of magnitude estimates), how it will solve the problem, and resources (who will be involved).

Once the implementation plan has been discussed, the team should take a few minutes to review. Once a consensus has been reached, the discussion should end and members should begin to prepare their slides.



4.3.3

HOW TO DIVIDE THE WORK

Each team member should have a role in the team. Based on the way the cases are judged the natural roles that emerge are five as follows:

1.- Introduction, key issues/ problem statement

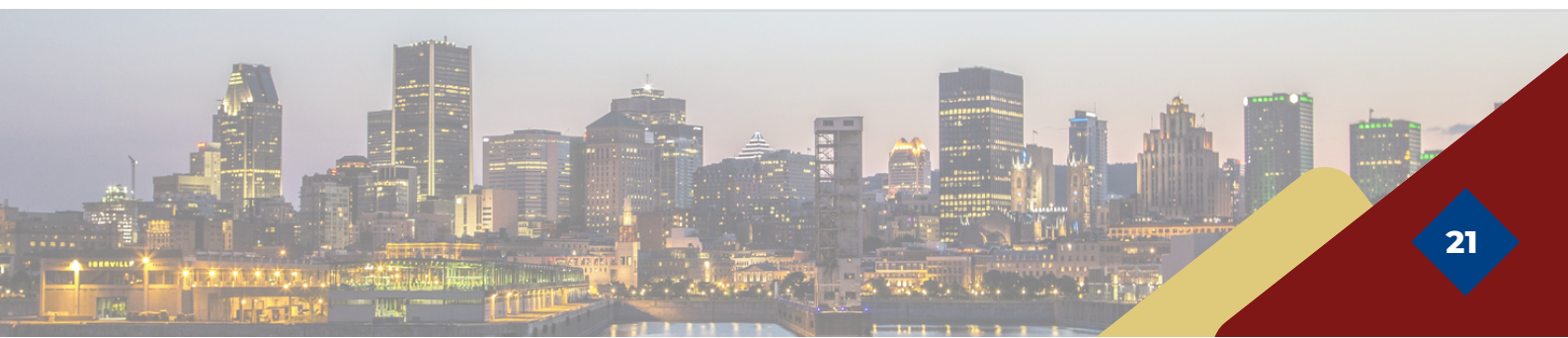
The key issues and problem statement within the case should be clearly stated.

2.- Analysis

The environmental, economical, financial, and political factors of the case should be reviewed in terms of what is relevant to the key issues. The analysis should have an external and an internal focus in term of the organization. One example would be the use of a SWOT analysis to review the organization.

3.- Alternatives and Recommendations

A minimum of three alternatives should be analyzed one of which will be the recommended solution. The recommended solution should address the key issues and solve the problem stated.



4.- Implementation

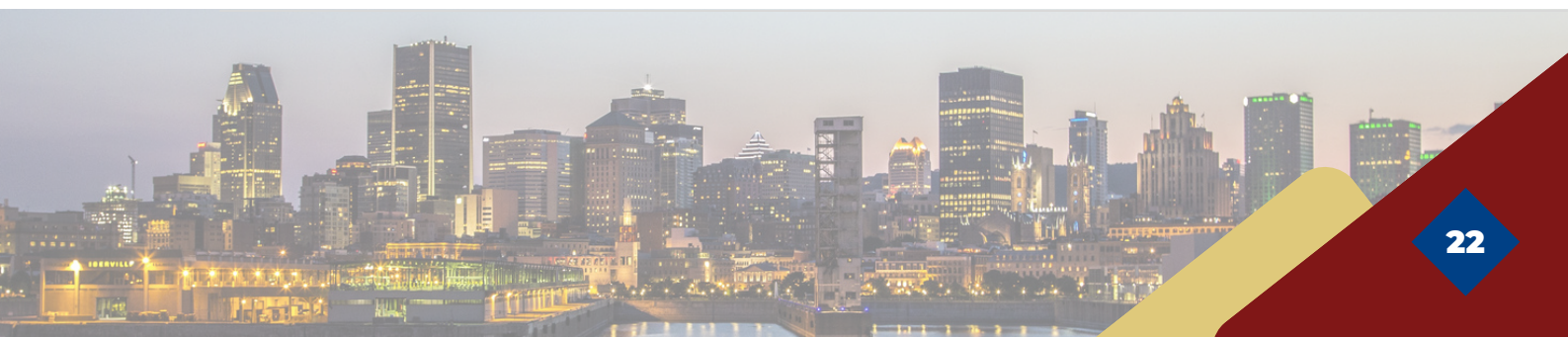
The implementation is an action plan that the company in the case will use to implement the recommendation. The implementation must fit the organization and should be attainable. The implementation should address all areas of the organization including operations, marketing, human resources, and finance. The plan should have a timeline along with a breakdown of the costs associated with the implementation.

5.- Financial analysis, and conclusion

All cases should address how the recommendation will affect the organization financially. If the case does not provide any financials, students can still address how the plan will affect them, however specific numbers will not be available. Items that may be considered in this section are: Stock/share price, profits, revenue, expenses, IRR, NPV, etc.

The coach should provide guidance as to how the teams can put their own unique spin on each section to enhance the overall presentation.

For example, teams may wish to choose a color scheme for their slides that will remain constant throughout the competition. They may also wish to decide on a team name that will be used consistently throughout each case.

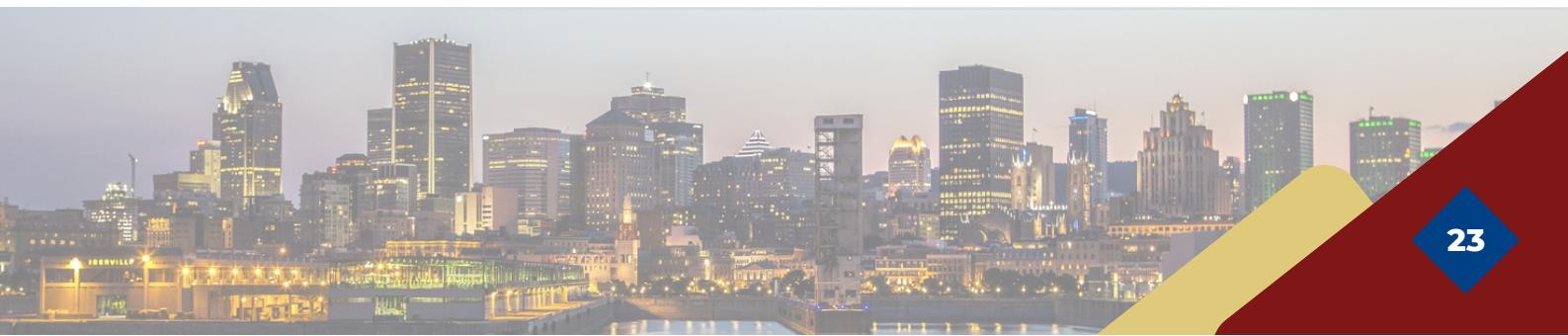


4.3.4

FINAL 5 MINUTES

When the timekeeper announces the five-minute remaining mark, the team will need to begin saving their presentation and uploaded it to the designated cloud space service. Once the three-hour time limit passes, the team hosts will not give teams extra time for making any final additions or changes to their presentation or for saving the presentation. The team will have to close their laptops immediately. When practicing, coaches should follow these rules in order for the team to become comfortable with the time constraints and the strict rules of the competition.

The teams do not need to worry about their personal belongings, as they will have time to clean up once the presentations are uploaded to the cloud service. The team should take a minute to relax and mentally prepare themselves for their presentation. If a bathroom break is required, teams should let their team host know and they will be escorted to the nearest washroom. Teams should attempt to be on time because the judges will not want to delay the presentation.

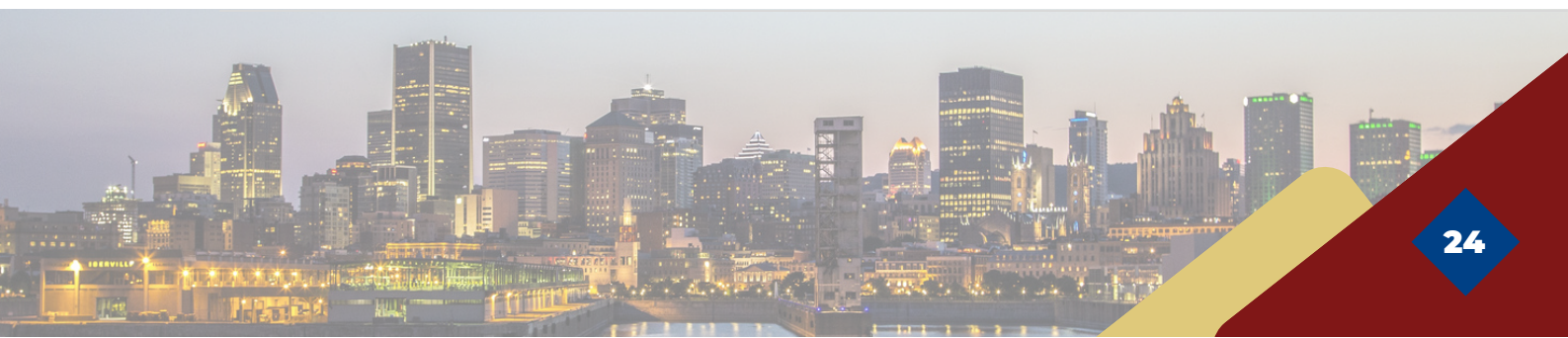


4.3.5

PRESENTING THE CASE

When entering the presentation room, team members normally introduce themselves to the judges and wait for instructions from the judge coordinator. The judge coordinator will open the previously uploaded presentation and set it up for projecting. Teams may sit or stand during the presentation. All members of the team should present a part of the case. There should be balance and flow between members.

Before presenting it is suggested that the team designates a team member(s) to change slides. For example, once the first team member has finished speaking, that person can become the one responsible for changing slides for the remainder of the presenters. Or individual team members can control their slides. Practice with these transitions is just as important as the presentation itself. Sloppy transitions are distracting, will waste time, and may be seen as a lack of preparation by the judges.



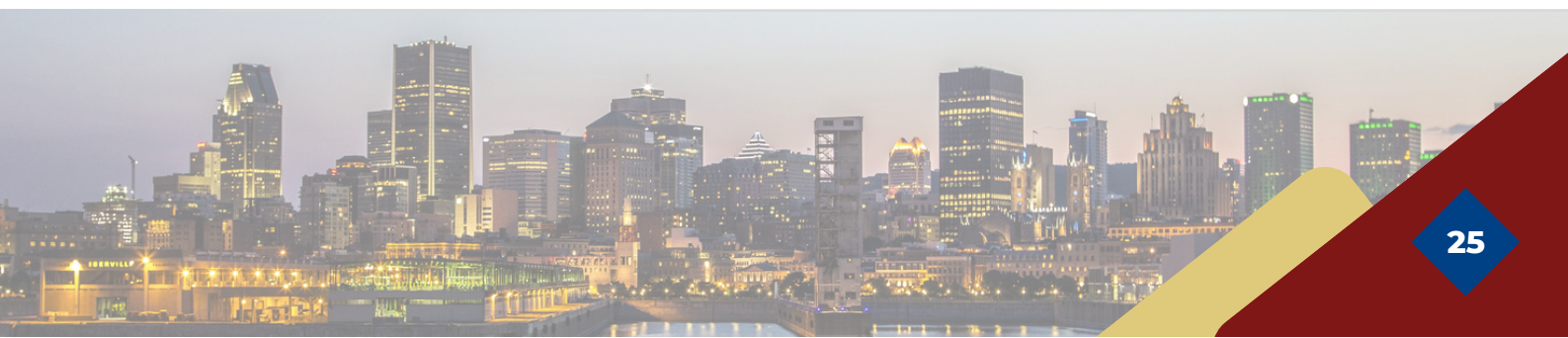
4.3.6


QUESTION PERIOD

Prior to the competition, the coach should attempt to bring in judges for the practice presentations. The coach may act as a judge at first, but to avoid the team from becoming comfortable, external judges should be used.

When the team has completed the presentation, they should all stand and wait for the judges to begin their question period. When a judge asks a question, be careful not to hastily jump into an answer. Everyone should pause and take 3-5 seconds to ensure they understand the question. If the question is unclear, ask for clarification before trying to present an answer.

After a team member has answered a question, a follow-up answer should only be given if it will add value to what was already been said. Teams must also ensure that they do not contradict each other while answering questions. When one team member gives an answer that another may not agree with, they should first determine if their answer will give the impression that there is conflict within the team.



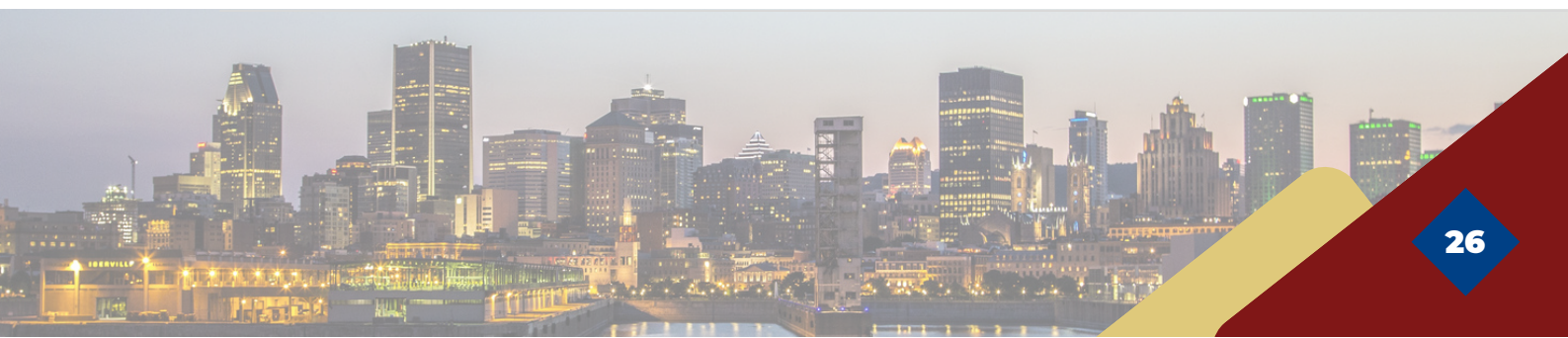


Contradicting a team member will show that the case was not discussed fully or that the team did not agree on their recommendation. If the answer is sufficient the team should leave it and not attempt to correct the mistake. Only when the answer is 100% incorrect should a member give a different answer. Even during this contradiction, the person speaking should formulate their response in a manner that, although contradictory, is in agreement with the previous answer. Confidence in the solution proposed along with the answers being given is very important when judges are scoring teams.

At no time should a team argue with a judge. Many times judges will tell teams they do not agree at all with the solution presented. Some may even tell the team that they are wrong. When this occurs, becoming confrontational will only hurt the team. At this time, confidence in the solution must be presented. Teams should still support their answer, but they should do so by revisiting the facts they presented and assuring the judge that their plan is the optimal one. The result will almost always be one of these two scenarios:

1. The team convinces the judge
2. The team gains the judges respect since they were able to back up their solution, even if they still disagree.

Finally, teams should pay attention to the body language of the judges. When a judge begins to nod their head in agreement or present other body language that sends similar signals, the person answering the question should wrap up and allow for the next question to be asked. The objective is to efficiently answer questions in the 15-minute period.



5. MATERIALS TO BRING

5.1 PREPARATORY MATERIAL

The research material prepared, as suggested in sections 4.1 and 4.2, may accompany the team to Montreal in order to allow brief reviews prior to starting a case preparation. Having this information on hand will allow teams to enter a case with the details fresh in their minds.

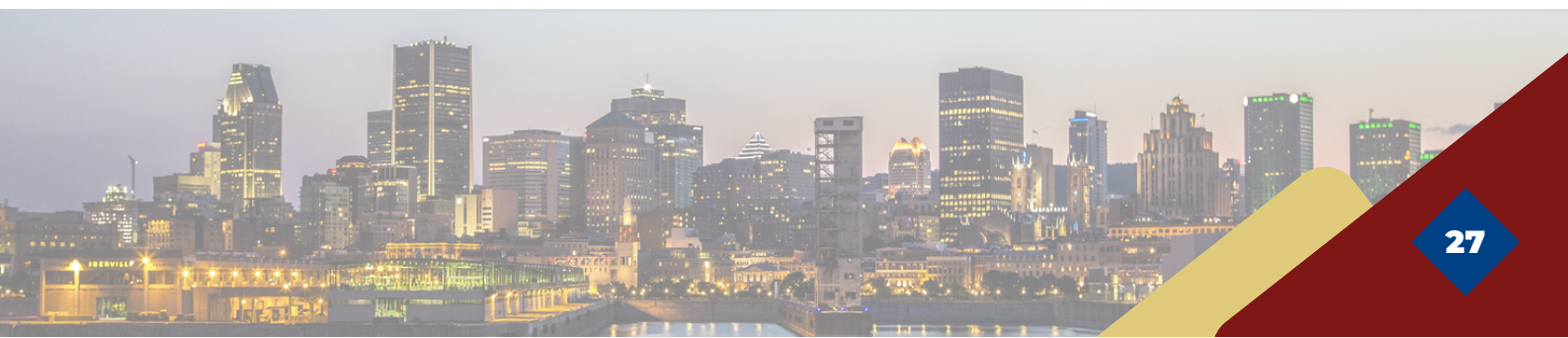
It is also helpful for the teams to have a slide template prepared to review prior to entering a case.

Finally, the team should review their strategy. The three to four month preparation period should result in teams creating a strategy for how to attack a case. This should be documented to allow the team to review their strategy to ensure they utilize the three-hour preparation time to its full extent.

5.2 SUPPLIES

Office supplies that are not provided by the competition but are allowed to be used if you bring your own are listed below:

- Large sheets of paper such as Post-it Self-Stick Easel Pad
- Markers for writing on the Easel Pads
- Non programmable calculators
- Tape
- Snacks
- Beverages (Water, soda, etc.)



5.3

ATTIRE

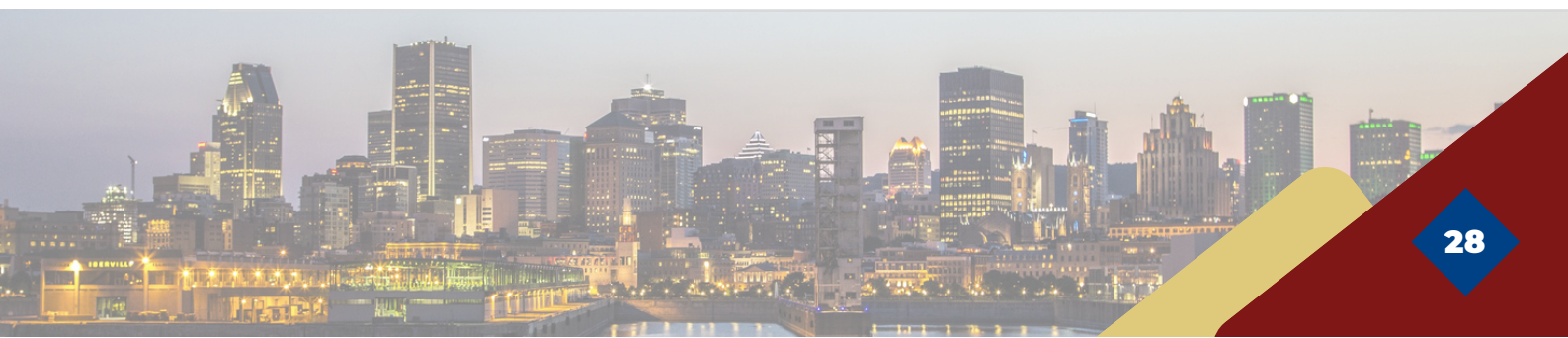
It is important to dress professionally while participating in the competition. The dress code for the competition is business professional. It is important that team members not only wear professional clothing but also that they are comfortable in their attire.

The three-hour preparation period along with the 40 minutes teams have to stand in front of the judges is a stressful experience and adding discomfort to the equation can lead to the team underperforming. If team members are not accustomed to wearing business professional apparel, it is highly suggested that they complete all of their practice cases in full formal attire.

We recommend bringing multiple outfits to reduce the need to have items laundered. Although the competition is located near many clothing shops, last-minute purchases will only add to the stress of the event. Hotel laundry is of course available, but it is another area where problems may occur.

We also recommend bringing a travel stain remover and clothing repair kit. Finally, teams should have comfortable clothing to wear when not participating in a case. As it has been mentioned, teams will participate in many social events ranging in formality. This will allow teams to relax and socialize more comfortably, which will help lower the stress level in between cases. The organizers normally hold a **Theme Party** during the competition and most schools do come with costumes in line with the theme. This usually becomes one of the highlights of the competition and a great opportunity to show originality and foster team spirit.

An important point to note is that in January Montreal can be quite cold and there is often snow on the ground. As you will likely be leaving the hotel for various events winter attire is recommended!



6.

ARRIVING IN MONTREAL

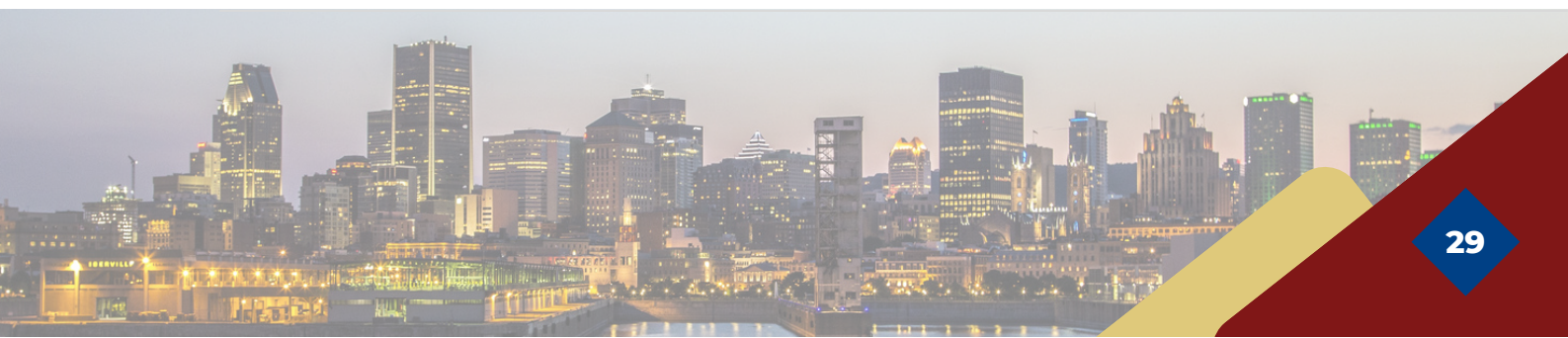
6.1

SPEAKING FRENCH

Canada has two official national languages; French and English. Montreal is located in the province of Quebec, which is a French-speaking province. Most people in Montreal do speak English, however, signs are in French. Below you will find a useful list of common French signs.

- Entrance: *Entrée*
- Exit: *Sortie*
- Open: *Ouvert*
- Closed: *Fermé*
- Pull: *Tirez*
- Push: *Poussez*
- Cashier/Check out: *Caisse*
- No Parking: *Défense de Stationner/Stationnement interdit*
- No Entry: *Défense d'entrer*

If you wish to communicate with Montrealers in their local language, you can find a list of helpful words and phrases and their pronunciations on the following website http://www.linguanaut.com/english_french.htm, or via various Apple or Android Apps.



6.2

IMPORTANT LOCATIONS IN THE HOTEL

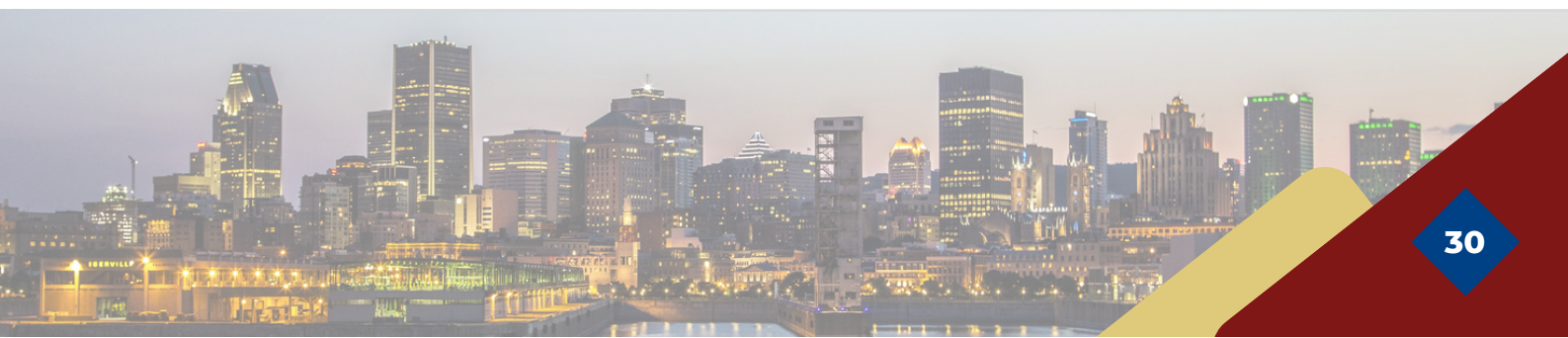
After checking into the hotel rooms, make sure to become familiar with the important locations in the hotel such as presentation rooms, the main banquet hall, the hospitality suite, and all the restrooms.

It is highly recommended that teams visit at least one presentation room in order to understand their surroundings prior to the first case. Walking into a presentation room for the first time just before presenting can be unnerving. Having visited these rooms in advance will remove this uncertainty and increase the teams' performance.

Taking a bathroom break during preparation will mean lost time and searching for restrooms is a task that teams cannot afford. As teams will not use the same preparation room for all cases, knowing where all restrooms are will allow for teams to use the one nearest to them during their preparation.

The banquet hall is where the lunches and some breakfasts will be served. It is also where the selection of team groupings occurs. After presentation rooms and hotel rooms, the banquet hall is where teams will spend most of their time. This room does not have assigned seating and the teams can visit the banquet hall before hand and might decide where they prefer to sit.

Finally, the hospitality suite is an important location, as it is a place where teams can relax and socialize with other teams. For more information on the hospitality suite and the importance of social participation see [Section 10](#).

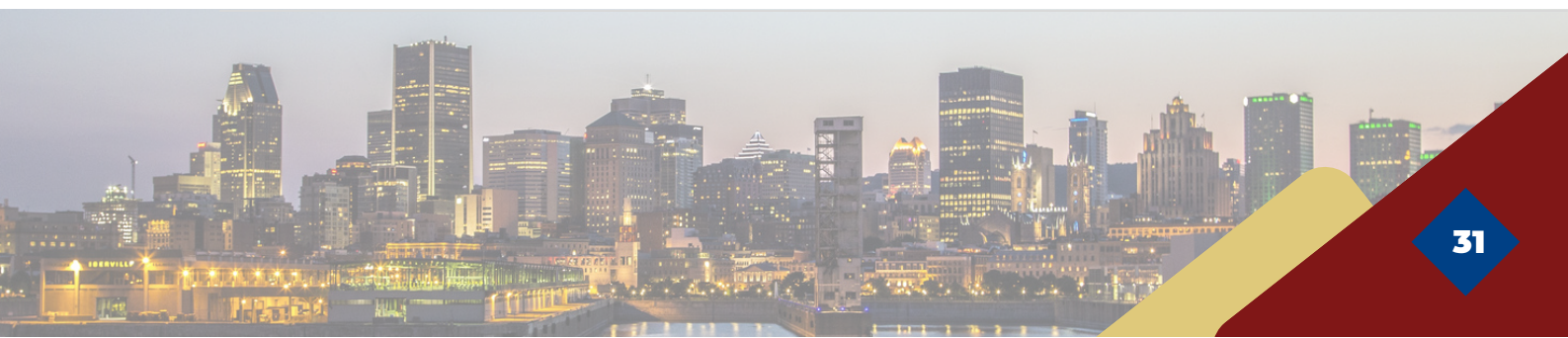


6.3

SNACKS AND BEVERAGES

The host hotel is located at the heart of cosmopolitan Montreal and is connected to the extensive underground city of thousands of boutiques, restaurants and cafés. The location of the hotel simplifies any personal needs participants might have. Teams should make sure to familiarize themselves with the shops in the immediate vicinity.

The competition will offer water, coffee, tea and some of the meals during the preparation time, however, to ensure they are completely prepared, teams should have some food and beverage with them in case they are not provided or a team member has an aversion or allergy to items provided.



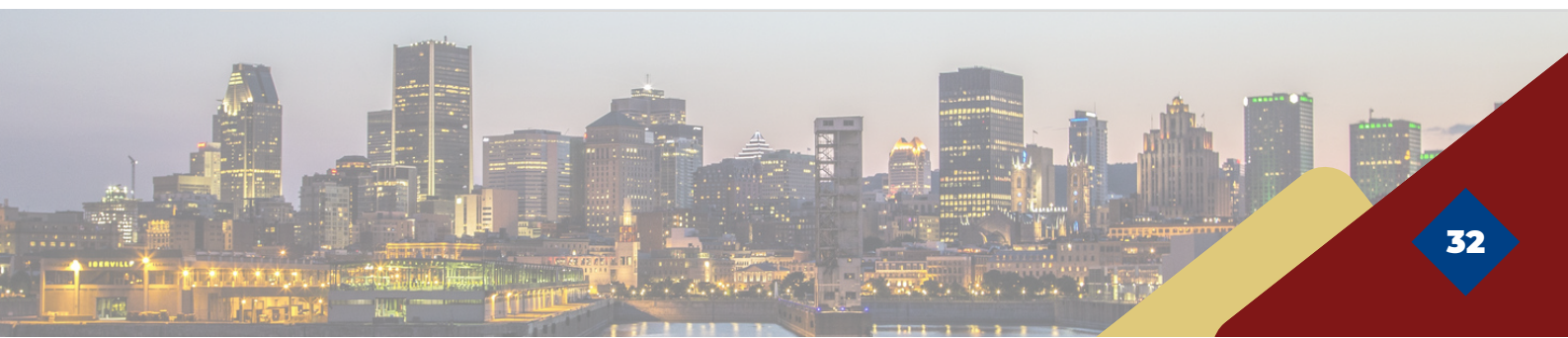
7.

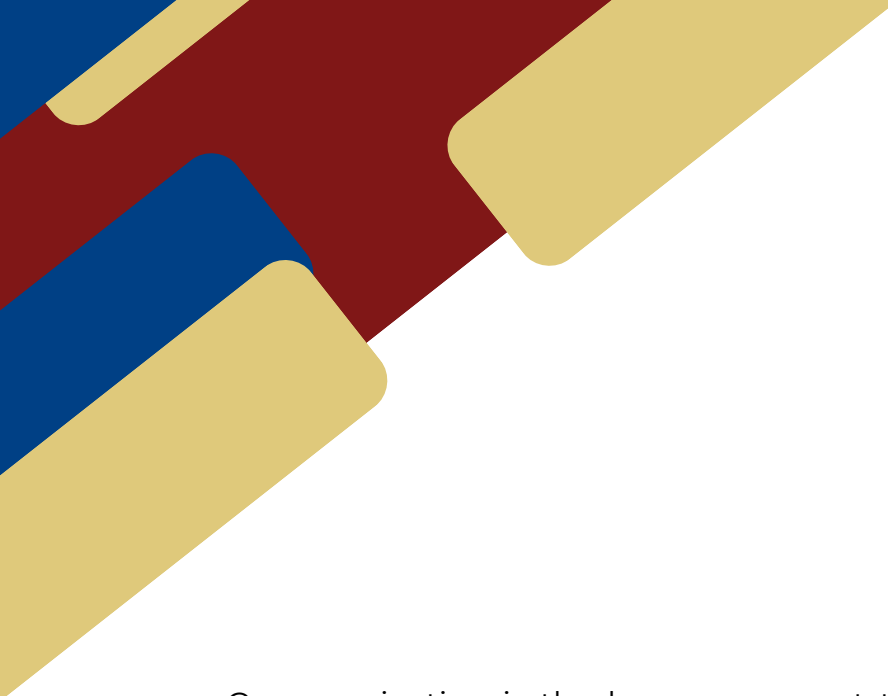
THE FIRST CASE

The first case of the competition normally occurs on the second day after lunch. If a team has not competed in a competition prior to this moment, the first case is always unsettling. This section contains information and tips that will help teams prepare for the first day of five stressful and fast-paced days.

The John Molson MBA International Case Competition is the largest competition of its kind. Teams that have completed prior to this competition may still find the first day difficult. In order to get off to a good start, teams should ensure that they have a game plan prior to leaving for the competition. Although teams will learn a great deal while at the competition, they should not stray too far from their plan as this is what they have practiced and what is familiar to them.

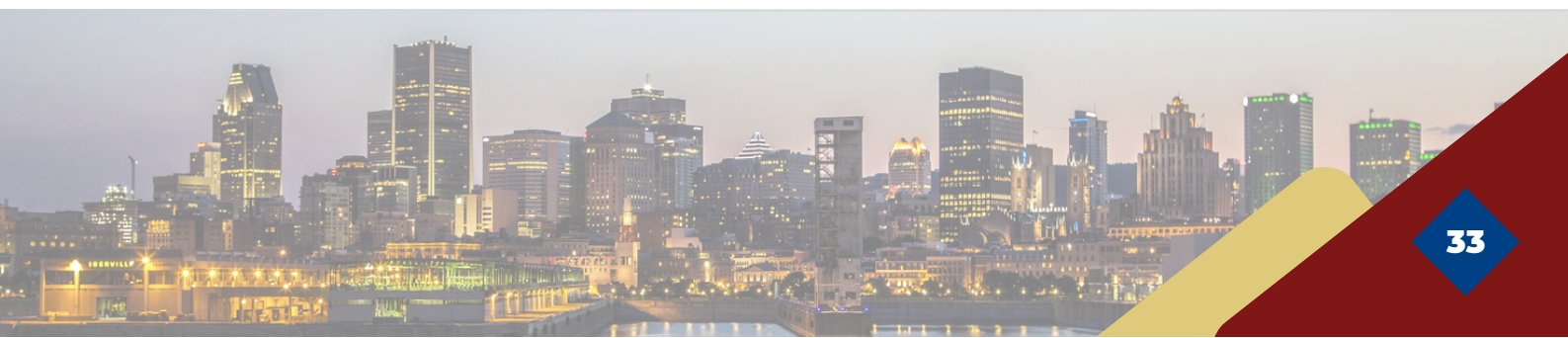
Many times the excitement and adrenaline of competing can lead to teams becoming disorganized and unfocused. To prevent this from occurring, the team must gather their thoughts prior to entering the preparation room and communicate with each other. Five minutes prior to entering a preparation room, teams should go through some sort of ritual (be it a pre-case cheer, moment of silence, top 5 keys to success, etc.). Having a routine that they have practiced before each practice case will cause a familiar feeling and help the team to relax. This is similar to athletes who use a routine prior to a game in order to set the mood and tone before competing.





Communication is the key component that will allow teams to stay on track and complete the case to the best of their abilities. Vocalizing that a plan is going off track or that a member or members are not working as they have practiced can jolt the team back on track. Vocalizing things such as time remaining, roadblocks, new information, etc., will allow all members to fully prepare for the presentation and work as a single unit.

The most important thing to remember about the first case is to leave the outcome in the presentation room. Whether teams win or lose, work well or poorly together, team members need to remember that this is only the first of the five cases. Premature celebration or feelings of doubt may cause teams to lose sight of their strategy and not succeed at the competition. Teams should always learn from each case despite the outcome but each case should be attacked with an open mind and as if it is the deciding case for the competition.



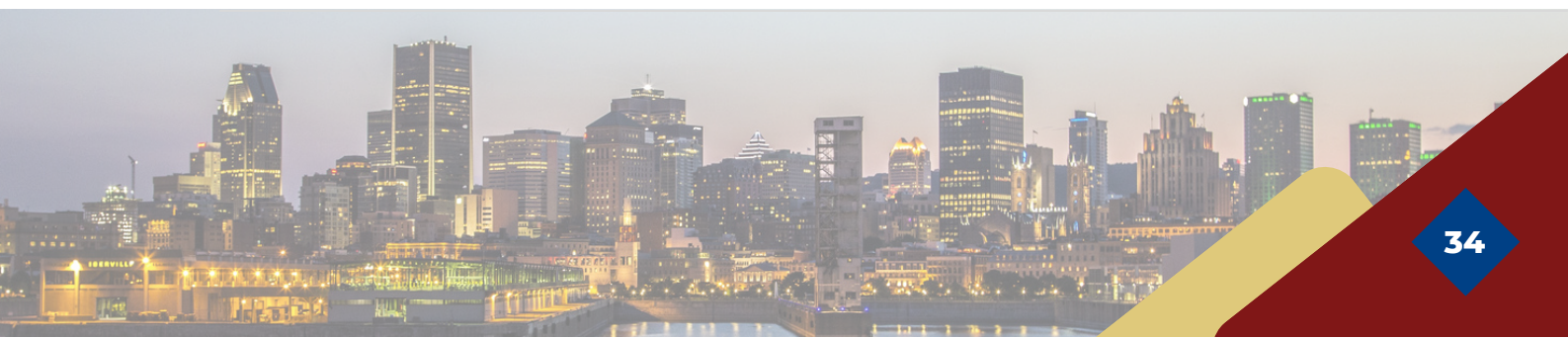
8. **DOUBLE CASE AND LIVE CASE**

The double case day and the live case can be just as stressful as the first case, but for different reasons.

The **double case day** is the day where teams will complete two cases in one day.

The **live case** is the day where members of the organization upon which the case is based present live to all the teams.

Each of these days will test teams in different ways and this section aims to help outline how teams can prepare for the different types of challenges they bring.



8.1

DOUBLE CASE DAY

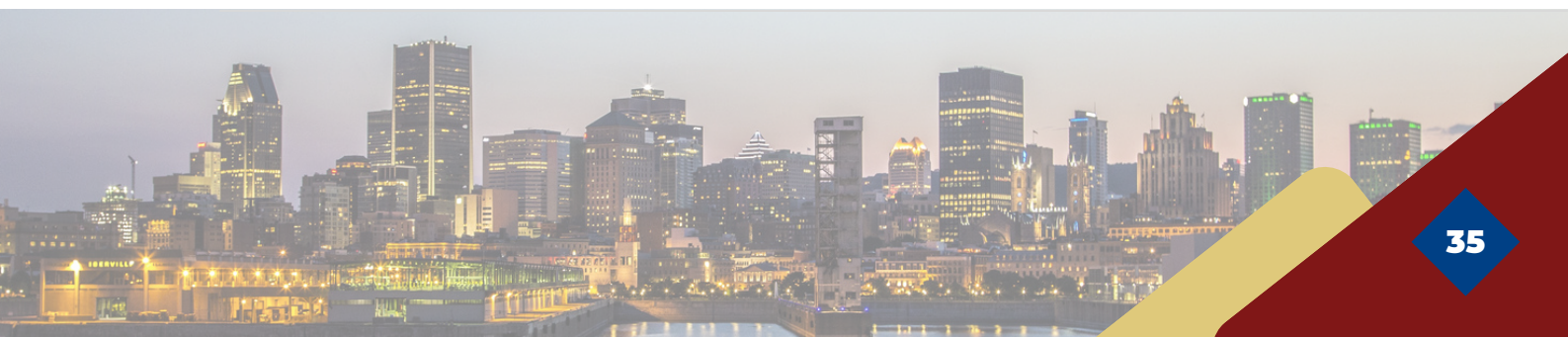
The double case day is always a challenge to teams as there is little time between cases to relax, eat, or discuss the previous case. This day is by far the most difficult day (along with the semi-finals where a second case is required on the same day) and preparation is the tool teams need to complete two successful cases.

The first thing a team must do is to practice completing two cases in one day before arriving at the competition. This will allow the team to be familiar with the limited time between the cases, along with dealing with low levels of energy during the second case. The cases on the day are as follows:

- **Normal case:** 3 hours of preparation and 25 minutes of presentation
- **Short case:** 90 minutes of preparation and 15 minutes of presentation,

This is the most important day, and it is strongly advised that food should be brought to the preparation room. Motivation is another required component for this day. During the practice sessions, team members become familiar with one another's moods and motivating or demotivating factors. Learning how to support each other and cheer each other up is a great tool for the entire competition, but especially for the double case day.

Finally, the team must remember that the judges have also had a long day. The team must make a conscious effort to show energy, enthusiasm, and confidence during the second case. Being mentally and physically drained and showing signs of fatigue or inattentiveness could cost them the match.



8.2

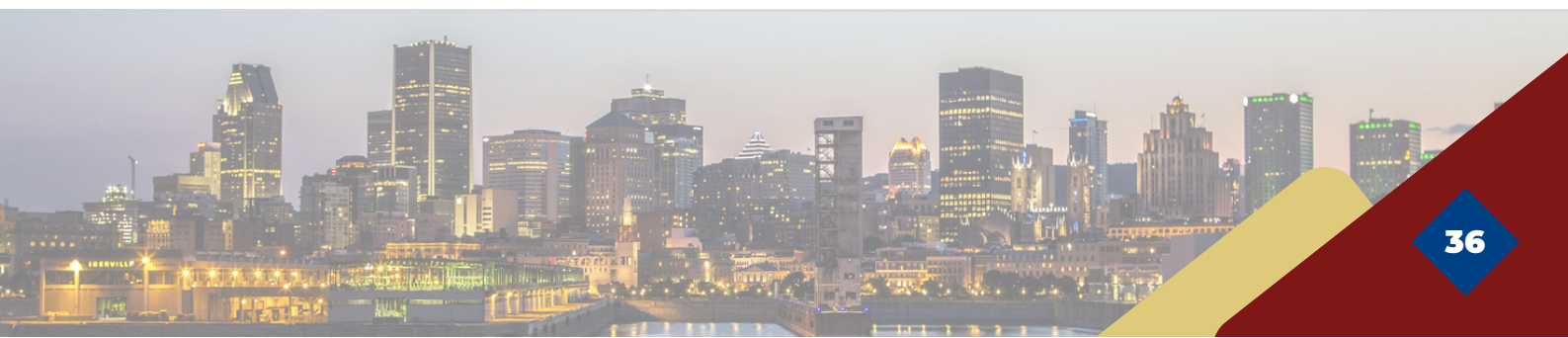
LIVE CASE DAY

The live case day is less taxing on the team in terms of usage of energy; however, it is still a stressful event. During the live case, teams need to listen to the issue at hand as presented by the organization and take notes as this information will not be made available to them during the preparation time. Teams have one hour to listen to the case and pose questions, and only two hours and a half to prepare the case.

All team members should take notes during the presentation and question period. It is important that the team also attempt to come up with a large number of questions to pose, as other teams may ask the same question before they are called upon. The team should also discuss the questions together in case the answer was already provided during the presentation.

Asking a question with regards to information already presented will allow other teams to now possess this information that they may have missed. Finally, since the first hour is used to allow the company to present the case and for the teams to ask questions, team members should begin preparing their case as much as possible. The reduced preparation time will result in teams being unable to go through their normal preparation routine(s), and having as much completed as possible during the first hour will reduce the tension during the preparation period.

The rest of the live case follows normal case rules. Teams will have the normal presentation time and question period time. As long as teams prepare for the live case, the only difference should be how the information is presented to them.



9.

WINNING AND LOSING

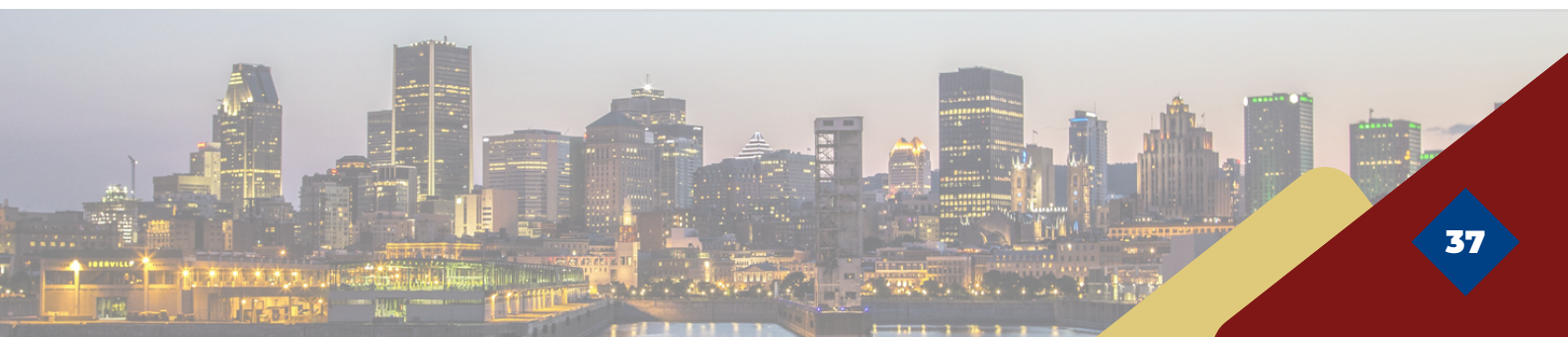
In all competitions some teams will win, some will lose, and some will experience both. This section of the guide is not aimed at teaching teams how to do either in terms of strategy, preparation, etc., rather it is to allow teams to win and lose gracefully and to learn from each experience.

Whether it is your first win or your fifth in a row, teams should understand that there is a proper way to celebrate the win. Until a team reaches the semi-finals, no win is worth celebrating. Even with an 11-0 win over another team, there is always something the team can learn and improve upon before the next match.

Over celebrating will also give the impression that the winning team is not showing the proper respect for the team they just competed against. Spirit is a very large component of this competition and displaying class and respect towards all teams is a contributing factor.

Losing is also not to be approached negatively. Review the loss and pick out areas where the team could have approached the case differently to produce a better result. Learn from the loss and then move on. Many times both teams present a strong case and the judge's decisions were the result of one particular point such as how a question was handled or a more realistic cost analysis, etc. Therefore, a loss does not mean the losing team did not present a good analysis and solution to a case, it simply means the other team may have simply performed a little bit better. After the results are posted, teams can review the judges' comments and determine how to ensure they perform better in the next case.

Finally, no matter what a team's result might be, no team leaves the competition without learning. All teams will leave feeling that they are stronger and more able to tackle issues and problems that will face them in their careers.



10.

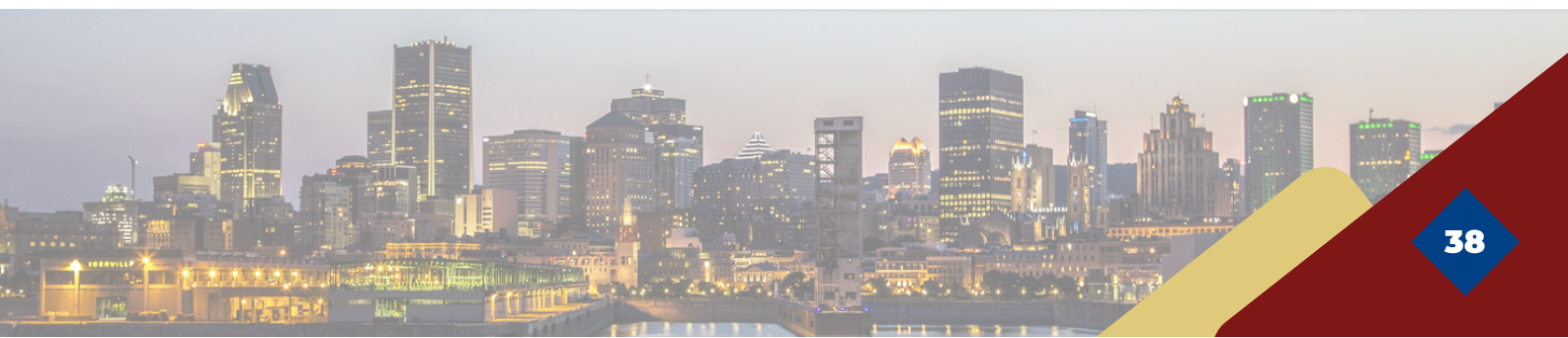
SOCIAL EVENTS AND NETWORKING

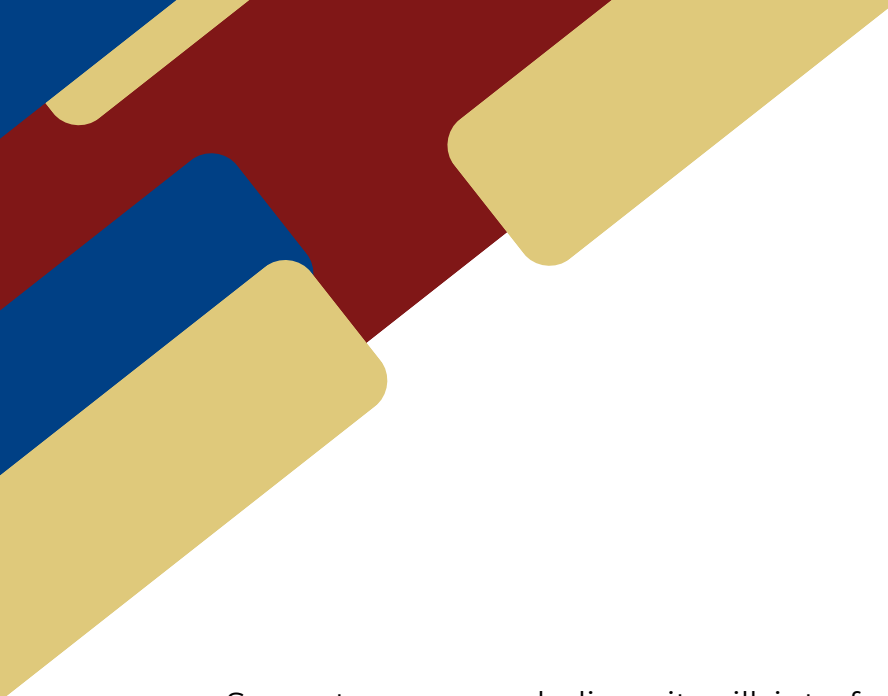
During the course of the competition, teams and coaches will have several opportunities to socialize with the other teams, coaches, judges, and event coordinators. The competition plans several social events including dinners, sightseeing, sports events, and a theme party at the end of the competition.

A major component to the competition is spirit. The week-long competition is a stressful and tiring time, yet extra effort is made to ensure that all teams not only enjoy the experience of competing against schools from around the world, but that they also get to meet new people and have fun once the work is over.

MBA students do not need an introduction to the benefits of networking, however it is important to remind the teams that this competition is a great chance to not only meet members of other teams, but also to meet executive-level judges and other attendees. Judges of the competition are some of Canada's most prominent businesspeople who have a wealth of knowledge. Team members should take the time to meet and talk to these senior business executives serving as judges and take advantage of their knowledge to exchange ideas and get inspired about their own futures in business.

We recommend that teams take part of the organized social events. Not all teams will be comfortable with taking part in social events, as it is not for everyone



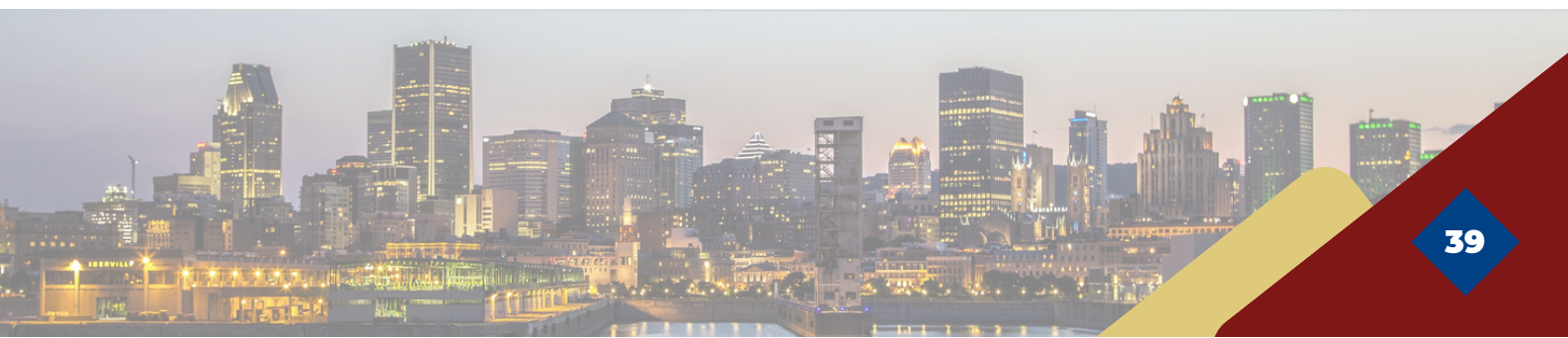


Some teams may believe it will interfere with their ability to perform. However, most teams will find that social events and simply socializing with others will help to ease the stress and tension of the competition. The topic of spirit is an important and celebrated part of this competition and an award for spirit is presented at the final banquet.

The award for spirit is named the “*Richard Outcault Team Spirit Award*”. This award was started by Northeastern University after a member of their 1998 winning team suddenly passed away. Richard attended the competition within days after his father’s death and considered the experience one of the greatest of his life. Winning this award is a very prestigious honor, and teams in the past have been very flattered to receive the award as all team members understand the tremendous value for which it stands.

For more information on the award please visit <http://mbacasecomp.com/about-us/richard-outcaultteam-spirit-award>.

Another special award at the competition is the “*Dr. J. Pierre Brunet Coach Award*”, which recognizes the outstanding leadership, ongoing support and contribution of coaches to the competition. Dr. Brunet taught at Concordia University for 30 years and is a founding Board Member of the John Molson International MBA Case Competition.



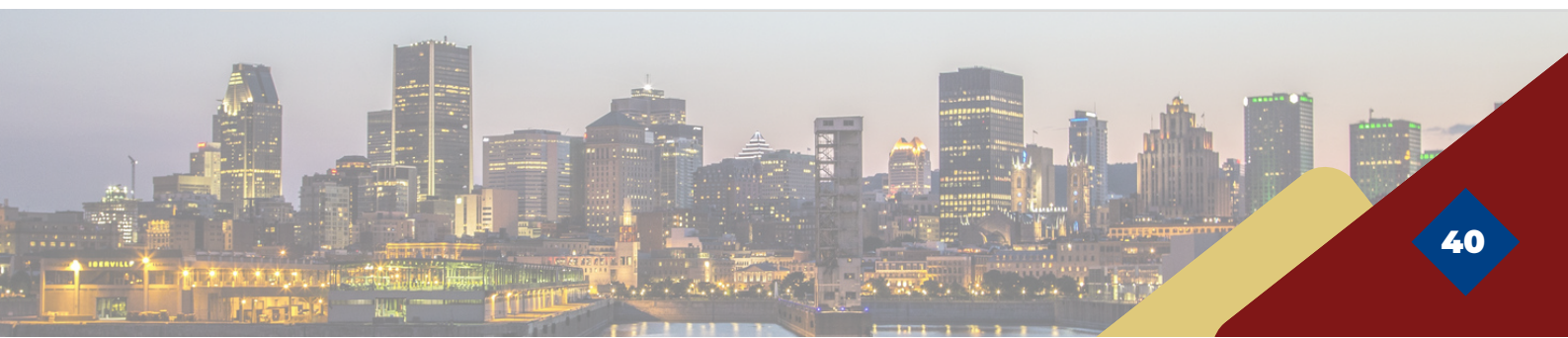
11.

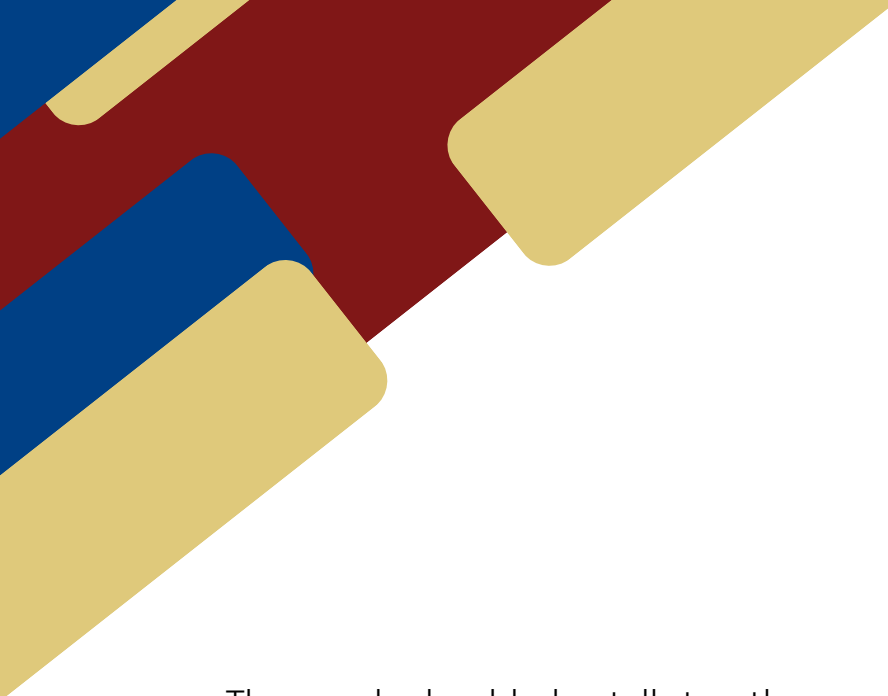
NEXT YEAR, NEXT STEPS

Once the competition is over the work does not end for the coaches or for some of the team members. Upon returning to their schools it is suggested that all teams debrief and attempt to determine how the following year's team can perform even better. Even if the team is the competition champion, there is always room for improvement.

During the competition, the coach should keep a journal of how the team performed. They should also attend other teams' presentation as much as possible in an attempt to see how others perform. This journal will be very useful in the following year, as it will help prepare the next team to ensure they are able to perform to their full capabilities.

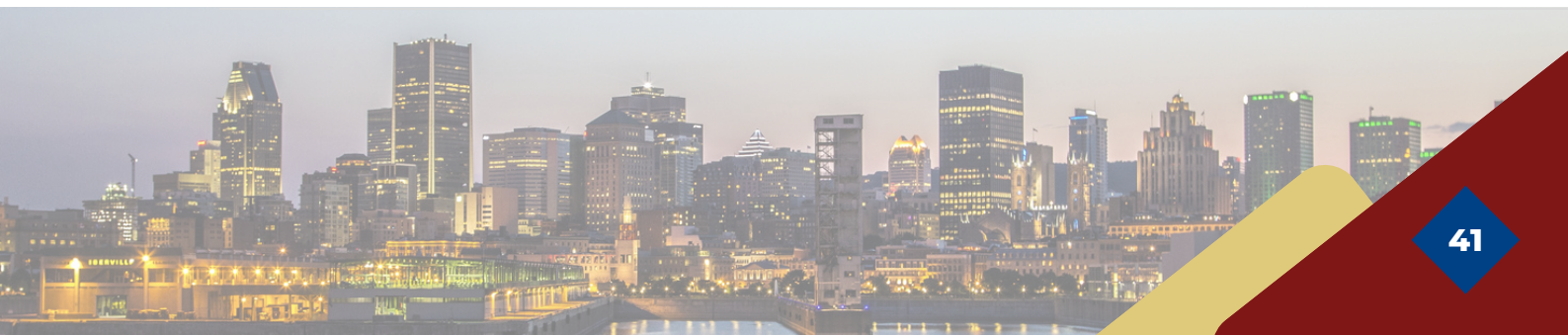
The coach should always retrieve the slides used by their team during the competition. This will allow new teams to view exactly the caliber they must attain prior to leaving for the competition. It will also help give new teams a better idea as to how they should approach their role and tasks for each case.





The coach should also talk to other coaches. Just as it is important for participants to socialize, coaches should also forge relationships with other coaches. Many schools have been participating at the competition for a long time and their coaches are very open and willing to giving advice to other schools. Even though it is the goal of each coach to win the competition, another goal is to continually improve the competition as a whole.

Past team members are a great source of help when new teams are preparing for the competition. They are able to describe the competition to new teams in terms of the pressures, stress, and competition level, among other topics. Past participants can also help prepare new teams by participating in the preparation period and attempt to spot pitfalls they encountered. This will give the new team time to remove these pitfalls and ensure greater success at the competition. They can also act as judges during the practice cases. Having stood in front of judges in the previous years, past participants understand the level of questioning that will be present at the competition.



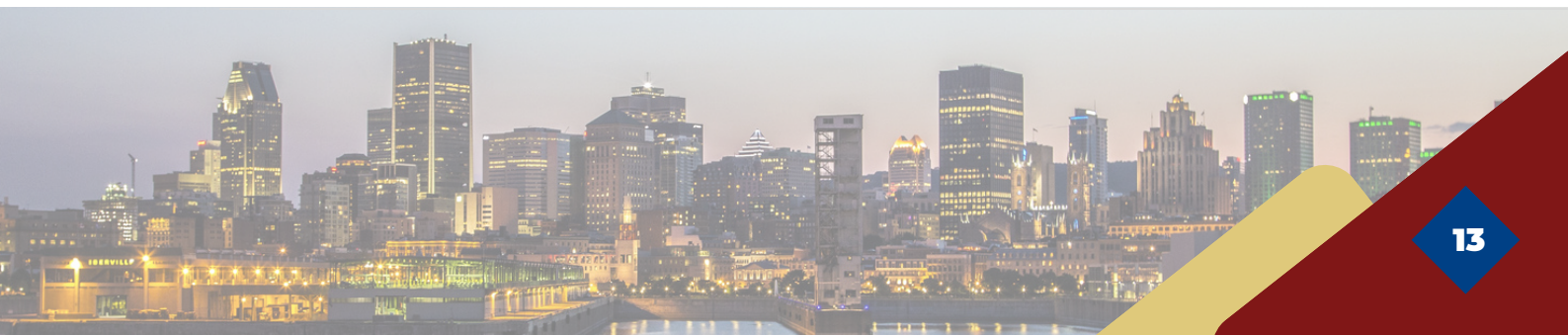
12. **APPENDICES**

APPENDIX A:
COMPETITION APPLICATION FORM

APPENDIX B:
EVALUATION FORM

APPENDIX C:
SCORING GUIDELINES

APPENDIX D:
SAMPLE CASE



Appendix A: Competition Application Form

Student Name: -----

Student # or ID: -----

Academic Information

Undergraduate Degree: -----

Other Degree/Diplomas: -----

MBA Area of Concentration: -----

Employment History

Company:

Position:

Duties:

Company:

Position:

Duties:

Company:

Position:

Duties:

Reason for wanting to join the case team:

Appendix B: Evaluation Form

Presentation:

Was the team's presentation well organized, timed, and delivered in a professional manner? Was the team consistent and convincing in the role it chose to assume?

Score ____/10 x1 = ____

Comments:

Analysis and Development of Alternatives:

Did the team clearly identify the pertinent issue(s) facing the company/individual?
Did the team develop a range of credible and creative alternatives to address the identified issue(s) by using relevant case data and making realistic assumptions?

Score ____/10 x2 = ____

Comments:

Recommendation(s):

Did the team effectively evaluate each of the alternatives it proposed and, with clear and substantiated criteria, justify its recommended course of action in a realistic and pragmatic manner consistent with the case data and the subsequent analysis?

Score ____/10 x2.5 = ____

Comments:

What might the team have done better?

Where did the team succeed or fall short when compared with the opposing team?

Implementation

Was the team's implementation plan achievable given the case data, and was it consistent with their analysis? Did it include a reasonable timeline, a contingency plan, and was it financially sound?

Score ____/10 x3 = ____

Comments:

Question Period:

Did the team use the question period to effectively defend, support, and/or build its recommendation(s)? Were the responses clear, concise, on-point, and given with assurance?

Score ____/10 x1.5 = ____

Comments:

TOTAL ____/100

What did the team do particularly well?

What might the team have done better?

Where did the team succeed or fall short when compared with the opposing team?

Appendix C: Scoring guidelines (may be subject to change)

During the round-robin phase, the panel will evaluate each of the two teams and provide a numerical rating of 1 to 10 in five evaluation categories.

1. **Presentation:** Overall quality of the PowerPoint presentation submitted by the team
2. **Analysis and Alternatives:** Team's ability to draw valid conclusions from case data and research and explore alternatives
3. **Recommendations:** Scope and viability of recommendations pertaining to the analysis and anticipation of impact on the organization and its stakeholders
4. **Implementation:** The comprehensiveness of the action plan, timeline, and contingency plans.
5. **Question Period:** The team's ability to sufficiently answer questions posed by the Judge panel

Each category is weighted differently, and the relevant multiplier, when applied, will give the weighted score for that category:

Category	
Presentation	x 1
Analysis and Development of Alternatives	x 2
Recommendations	x 2.5
Implementation	x 3
Question Period	x 1.5

The weighted scores will then be summed to provide a cumulative score, up to a maximum of 100. The team with the highest cumulative score will be declared the winner of that match. In the event of a tie, the winner will be determined by using, in order, the following tiebreakers:

- The highest Implementation Plan score;
- If tied, the highest cumulative Implementation Plan and Recommendations scores;
- If still tied, the highest cumulative Implementation Plan, Recommendations and Analysis and Development of Alternatives scores;
- If still tied, the highest cumulative Implementation Plan, Recommendations, Analysis and Development of Alternatives and Question Period scores;
- In the unlikely event that the teams have identical scores in all categories, the lead judge will decide the winner.

Match Points

For purposes of determining the Competition's divisional and overall rankings, a total of 11 match points will then be allocated to the two teams (based on the differential in their cumulative evaluation scores), on the following basis:

Total Score	11 Match Point Split
Differential of 3 or less	6 match points to winning team
	5 match points to losing team
Differential of 3.5-10	7 match points to winning team
	4 match points to losing team
Differential of 10.5-20	8 match points to winning team
	3 match points to losing team
Differential of 20.5-35	9 match points to winning team
	2 match points to losing team
Differential of 35.5 or more	10 match points to winning team
	1 match point to losing team

In addition to their allocated 11-point split, the winning team will receive an additional 30 match points, except in the event of a 6-5 split wherein the winning team will receive an additional 20 match points and the losing team will receive an additional 10 match points.

There is no match point allocation in the semifinals and finals. The Judges will declare a winner in each of the semifinal contests. The three winning teams will then participate in the finals. The Judge's decision regarding the first, second and third place winners will be announced at the closing banquet.

Appendix D: Sample Case

Disney Enters Streaming Space: Can it Disrupt the Disruptor?

In August 2017, Robert A. Iger (Iger), Chairman and CEO of The Walt Disney Company (Disney), the world's largest entertainment company, announced that Disney would end its movie distribution agreement with Netflix and launch its own direct-to-consumer (DTC) streaming services. The first streaming service, focused on sports (ESPN+), was launched in April 2018 and the second, a Disney-branded film and TV streaming offering, was slated to debut in 2019. According to analysts, the move was an attempt by the company to address investor concern over cord-cutting in the traditional media business and to outrun disruption by adapting to the changing media and entertainment landscape. As consumers continued to cut the cord, the use of streaming services had exploded, leading to big subscriber losses for cable providers. By the end of 2017, a total of 24.9 million viewers had cut the cord on cable, satellite, or telco TV services in the US — up 43.6% year over year.¹

In order to accelerate its push into the DTC space, Disney acquired media giant 21st Century Fox (Fox) in December 2017 in an all-stock deal of US\$71.3 billion. The deal, expected to close by early 2019, would give Disney control of Fox's film and television assets as well as stakes in video-streaming service Hulu and overseas television-service providers, Sky plc and Star India. Disney planned to use content from Fox to combat disruption in the rapidly changing streaming space, where competition included strong players such as Netflix and Amazon.

For Iger, the clock was ticking. After delaying retirement multiple times, he was scheduled to depart Disney in late 2021. Going forward, he had the Herculean task of building a massive streaming platform while integrating two big content-creation rivals (Disney and Fox) which had drastically different images and corporate cultures. Moreover, as Disney planned to shift its business model by cutting out middlemen and

¹ Todd Spangler, "Cord-Cutting Keeps Churning: U.S. Pay-TV Cancelers to Hit 33 Million in 2018 (Study)," <https://variety.com>, July 24, 2018.

selling its content directly to customers, Iger had to prepare his company to embrace the new business model without diluting its existing model.

While Iger was trying to brace the 95-year-old Disney for the future with the streaming services, analysts wondered whether he could reposition Disney as a streaming giant to take on established rivals such as Netflix and Amazon. Could Fox assets supercharge that plan? Could Disney's streaming platform aggressively undercut the disruptor Netflix? Could Disney disrupt the OTT² (Over-The-Top) market or was it too late for it to catch up?

BACKGROUND NOTE

The Walt Disney Company was co-founded by renowned cartoonist and animator Walt Disney and his brother, Roy Oliver Disney, on October 16, 1923, as the Disney Brothers Cartoon Studio. As of 2018, Disney was a leading diversified international family entertainment and media enterprise with operations in more than 40 countries (*See Exhibit I*). Its business segments included Media Networks; Studio Entertainment; Parks, Experiences and Consumer Products; and DTC and International. The company generated annual revenues of US\$55.1 billion in the fiscal year 2017. For its second fiscal quarter ended March 31, 2018, revenues reached US\$14.55 billion.

In 1996, Iger came on to the rolls of Disney when it acquired television network ABC, Inc. Iger was named president and COO of Disney in 2000, and CEO in 2005. Seven years later, he became the chairman of Disney.

Under Iger, Disney acquired longtime partner Pixar Animation Studios for US\$7.4 billion in 2006. The deal revived Disney's animation department and positioned the company to compete better in the media industry. In 2009, Disney acquired comic book and action hero company Marvel Entertainment for about US\$4 billion. The deal allowed Disney to sell Marvel's vast array of characters and properties across

² Premium video content that is streamed over the internet through an app or device onto a TV or PC or Smartphone without requiring users to subscribe to a wired cable, telco or satellite TV service.

different media platforms and markets. In 2010, Disney sold off Miramax Films, as it felt that Miramax's edgy mix of films was a poor fit for its family-friendly image. In 2012, Disney acquired Lucasfilm for US\$4 billion, adding the legendary *Star Wars* franchise to its stable.

GLOBAL OTT MARKET

Unhappy with the high prices and subpar customer service, millions of Americans stopped using cable TV in 2016, opting instead for the growing number of streaming services, which offered lower prices and a competitive channel lineup over the internet. Streaming platforms such as Netflix, offered on-demand content to viewers at lower rates, at about US\$7-US\$11 a month compared to US\$60-US\$100 or more for a monthly pay-TV subscription.³ Pay-TV providers in the US – cable, satellite, and telco TV operators – lost about 1.9 million subscribers in 2016, according to media research and analysis firm Kagan Research. On the other hand, the streaming services market, also known as OTT, kept growing at their expense. The number of OTT-only Homes in the US tripled from just over 5 million in 2013 to 14.1 million in 2017, according to a report from the Video Advertising Bureau⁴ (*See Exhibit II*). The four major OTT streaming services – Netflix, Hulu, YouTube, and Amazon – accounted for nearly 80% of OTT viewing time for OTT households as of April 2017, with Netflix alone accounting for 40% (*See Exhibit III*).

Netflix, launched in 1998, was widely credited with disrupting the television and movie industry. It was able to disrupt the streaming services market due to its online distribution model, scale, excellent execution, proven technology, and lead in building its own exclusive original content. As of June 2018, Netflix was the leading player in the streaming services market with 130 million subscribers spanning 190 countries. For the quarter ended March 31, 2018, Netflix added a record-high 1.96 million net streaming subscribers in the US and 5.46 million internationally. Similarly, in late 2016, Amazon.com launched Amazon Prime

³ Adam Jezard, "Disney Leads the Charge as Traditional TV Networks Muscle in on Streaming Territory," www.weforum.org, March 29, 2018.

⁴ Jason Lynch, "The Number of OTT-Only U.S. Homes has Tripled over the Last 5 Years," www.adweek.com, March 28, 2018.

Video, where those who paid US\$119 per year for an Amazon Prime membership, could watch movies and TV shows at no additional cost with Prime Video. By 2017, its subscriber base had reached 40 million globally.

In 2018, the video streaming service debuted in the American Customer Satisfaction Index (ACSI) as the highest-performing telecom category with a score of 75. Netflix, Sony PlayStation Vue, Twitch, Amazon Prime Video, Hulu, Vudu, and Apple iTunes were some of the players in the category. The global video streaming market was expected to grow to approximately US\$ 82 billion by 2023, at 17% of the CAGR between 2017 and 2023. By 2021, about 200 million consumers in the US would use an OTT service at least once per month (*See Exhibit IV*).

DISNEY'S MOVE INTO STREAMING

In 2017, a total of 22.2 million US adults stopped using cable, satellite, or telco TV services – up 33% from 16.7 million in 2016⁵ (*See Exhibit V and VI*). As consumers continued to desert cable in favor of OTT services, Disney realized it was time to wake up and adapt to the changing entertainment landscape. The fact that the number of cord cutters was growing by the year was worrying for Disney, which made more money from television than from its movies or amusement parks. Moreover, ESPN, Disney's most valuable cable channel, had seen subscribers drop to 88 million in December 2016 from more than 100 million in 2011. Disney Channel and Freeform, two of Disney's biggest brands reaching children, lost roughly 4 million subscribers between 2013 and 2016. In Q3 2017, the segment revenue from Disney's media networks, which included ESPN and Disney Channels, decreased 1% to US\$5.9 billion and segment operating income decreased 22% to US\$1.8 billion.⁶ Cable Networks' revenues for the quarter decreased 3% to US\$ 4.1 billion and operating income decreased 23% to US\$1.5 billion.

⁵ Todd Spangler, "Cord-Cutting Explodes: 22 Million U.S. Adults Will Have Canceled Cable, Satellite TV by End of 2017," <https://variety.com>, September 13, 2017.

⁶ "The Walt Disney Company Reports Third Quarter and Nine Months Earnings for Fiscal 2017," <https://ditm-twdc-us.storage.googleapis.com/q3-fy17-earnings.pdf>, August 8, 2017.

Also, the growing clout of Netflix, which had lured away viewers from television and changed consumer habits, threatened conventional business models. Realizing that the future of entertainment would be defined by direct relationships between the content creators and consumers, Iger underscored the need to reposition his company for growth. He wanted to fundamentally change Disney's business model by moving away from selling content like movies and live sports to middlemen to selling it directly to customers instead. He wanted Disney to be like Facebook, Amazon, and Netflix, which were pursuing a direct relationship with customers. According to Kevin Mayer (Mayer), Disney's chief strategy officer, the company thought of an inevitable shift to streaming in 2006 but it was wary of embracing a new business model at the expense of its highly profitable traditional pay-TV model. Earlier in 2015, Disney had experimented with building its own paid video streaming platform in the UK called DisneyLife⁷, but was disappointed that the offering met with only a tepid response.

In August 2017, Iger announced that Disney planned to launch two branded DTC streaming services starting in the US and to expand globally later. He said that the new platforms would offer Disney greater control over its own destiny in a rapidly changing media and entertainment market. *"We've got this unbelievably passionate base of Disney consumers worldwide that we've never had the opportunity to connect with directly other than through the parks. It's high time we got into the business to accomplish that. Once we do, if this gives us the ability to do it, then I think the monetization possibilities are extraordinary for this company. It's not just a defensive move, it's an offensive move,"*⁸ he added.

On April 12, 2018, Disney's first subscription streaming service, a US\$4.99-a-month sports video offering called ESPN+, was launched. The service combined ESPN's two major mobile apps – ESPN and

⁷ DisneyLife offered Disney movies and television series, children's e-books, games, and music. Launched with a somewhat troublesome app, a movie library limited to just the Disney / Pixar catalogue and a price point of £9.99, the service was not unable to attract subscribers. Despite a reduction in the monthly fee to £4.99 the response was tepid. After two years of its launch, DisneyLife had only about 437,000 subscribers.

⁸ Cynthia Littleton, "Bob Iger: Disney Sets 'Extremely Important Strategic Shift' With Movie, ESPN Streaming Launches," <https://variety.com>, August 8, 2017.

WatchESPN, which streamed live sports content – into a new app. The ESPN-branded service offered about 10,000 events a year, including live programming, with regional, national, and international games. Disney also planned to offer a separate entertainment-oriented streaming service that would arrive in late 2019. This would include an array of library content, including movies and television programming from Disney Channel, Disney Junior, and Disney XD. Disney would also invest in original films, TV series, and short-form video exclusively for the service, which would first launch in the US before expanding to other countries. Iger said that the still unnamed platform would be available at a substantially lower price point of US\$10.99 per month, in part, because it would have a more limited library (*See Exhibit VII*).

In September 2017, Disney acquired a majority interest in BAMTech, a streaming technology and content delivery business. It paid US\$1.58 billion for an additional 42% stake⁹ in BAMTech, thereby increasing its stake to 75% in the company. BAMTech would provide the technical support needed for the launch and distribution of Disney's streaming services.

Many analysts cheered Disney's streaming plans saying that the move was a smart one, if a little late. They added that Disney would be able to maximize the worth of its content through its own streaming services, especially given its blockbuster films due in 2019, including *Star Wars: Episode IX*, a new Avengers film, *Frozen 2*, *Toy Story 4*, and a live-action adaptation of *Lion King*. *"Disney, you see, isn't any ordinary US film and television studio. In addition to its own library, which includes Frozen and Beauty and the Beast, Disney also owns Lucasfilm (which makes Star Wars) and Marvel (which makes everything else). Which makes the content play for a proposed Disney streaming platform one of the most potentially disruptive in recent memory,"*¹⁰ remarked Michael Idato, a Senior Writer for *The Sydney Morning Herald*.

DUMPS NETFLIX

⁹ In 2016 Disney acquired a third of BAMTech for US\$1 billion for a 33% stake.

¹⁰ Michael Idato, "Why Disney's Streaming Service is the Biggest Disruption since Netflix," www.smh.com.au, August 20, 2017.

In 2016, Netflix entered into a licensing agreement with Disney, whereby it started airing Disney movies exclusively for American users. Netflix customers were able to stream a catalog of titles from Disney and four of its subsidiaries: Walt Disney Animation Studios, Pixar, Marvel, and DisneyNature.

In August 2017, Iger announced that Disney would end its licensing agreement with Netflix. Though Netflix subscribers would be able to find older Disney titles on the streaming service, they would have to sign up for Disney's streaming platform to watch newer titles due out in 2019, including *Toy Story 4* and the sequel to *Frozen*. Iger announced that Netflix would have the rights to the films that were made between 2016 and 2018 for quite a long period of time.

Disney's announcement that it was pulling content out of Netflix had an immediate impact on Netflix shares, which fell by as much as 5% in after-market trading on August 8, 2017. Analysts said that losing valuable franchises such as *Star Wars* and *Marvel* would be a huge blow to Netflix. On the other hand, for Disney, the move would eliminate an enormous and reliable revenue stream. Disney's streaming licensing through services like Netflix was worth approximately US\$500 million annually. Investors were also wary of Disney's decision as they felt the move would hurt the company's prospects of tapping into Netflix's vast subscriber base. On Disney's decision to pull content out of Netflix, a critic said, "*You have to be really, really careful about doing things you think are protecting your content, but it's actually putting it at risk. You can't force people to go elsewhere. They're just going to change the content they're consuming [...]*."¹¹

FOX IN THE MOUSE HOUSE

Disney's pursuit of 21st Century Fox (Fox) began in August 2017 when Iger met Rupert Murdoch (Murdoch), the founder of Fox, and discussed the myriad challenges their respective businesses faced. Murdoch decided to sell a part of his empire as he felt that his corporation was not big enough to face the coming challenges to the media industry and compete with tech giants known collectively as 'FAANG'

¹¹ "If Disney Builds a Streaming Service, Will They Come?" <http://knowledge.wharton.upenn.edu>, September 1, 2017.

(Facebook, Amazon, Apple, Netflix, Google) that were upending the movie and television distribution oligopoly of which Fox had once been a central player¹² (*See Exhibit VIII*).

The discussions for a merger between the two companies began in early December 2017. Following a bidding war with global media and technology company Comcast Corporation, Disney was able to clinch the deal. Murdoch felt that Disney would be a far more natural fit for the company's movie and TV business, given that it was already in the business of producing such content and had a history of making successful content acquisitions. For Fox, Disney seemed to be the only company with the "scale" and "limitless funds" required to compete with FAANG.

On December 14, 2017, Disney entered into a definitive agreement to acquire Fox in an all-stock deal of US\$52.4 billion (US\$66.1 billion including Fox's US\$13.7 billion debt). Later, in June 2018, Disney raised its bid for Fox's movie and television assets to US\$71.3 billion in cash and stock after Comcast again made a competing offer of US\$65 billion.¹³ *"This acquisition reflects a changing media landscape increasingly defined by transformative technology and evolving consumer expectations. It will allow us to greatly accelerate our direct-to-consumer strategy."*¹⁴ said Iger.

As part of the deal, Disney would acquire Fox Film and Television studios, FX Networks, National Geographic, Hulu, Star TV India, and a 39% stake in Sky. However, Fox would hold on to the Fox Broadcasting network and stations, Fox News Channel, Fox Business Network, as well as its sports channels FS1, FS2, and the Big Ten Network (*See Exhibit IX*).

Some analysts welcomed the merger calling it the biggest counterattack yet from a traditional media company against the tech giants (FAANG) that had aggressively moved into the entertainment business.

¹² Kate Bulkley, "Analysis: Why Disney wants Fox," www.abc.org, December 19, 2017.

¹³ Liz Moyer, "Disney Raises Bid for Fox Assets to \$71.3 billion in Cash and Stock, Topping Comcast," www.cnn.com, June 20, 2018.

¹⁴ Ryan Faughnder, Meg James, and David NG, "With Fox Purchase, Disney Takes on Tech Titans in Streaming Wars," www.latimes.com, December 14, 2017.

They said the deal would add enormously to Disney's library of content. According to Toby Chapman, an associate partner at global strategy consultant OC&C, *"It's a sign of Disney wanting to develop scale in order to compete with Netflix. On its own, it's difficult for even a company like Disney to compete with breadth of content that Netflix has. You've got to have something really broad or something with really specific strengths."*¹⁵

Though Iger was set to retire as Disney's CEO in July 2019, the company extended his contract through December 2021 in order to oversee the integration of Fox's assets. On June 27, 2018, The Department of Justice approved the merger on the condition that Disney divested itself of Fox-owned regional sports networks as it would create anti-competitive conflicts due to Disney's ownership of ESPN and could lead to higher prices for sports programming on cable. Disney agreed to the condition. On July 27, 2018, the shareholders of Disney and Fox approved the deal between the two companies, thereby moving one of the biggest media mergers in history nearer to completion.

IMPLICATIONS OF THE MERGER

Industry observers called the Disney-Fox merger "seismic" and globally "game-changing" as two of the biggest media and entertainment companies in the world together would "form an octopian beast whose tentacles will touch every corner of the content and distribution universe."¹⁶ The resulting conglomerate would control about 40% of the movie and television franchises in the US. According to analysts, the acquisition would allow Disney to create more appealing and strong content, build more direct relationships with consumers globally, and compete with tech rivals including Netflix and Amazon —something neither Disney nor Fox could do on its own.¹⁷

¹⁵ Ashley Rodriguez, "The Disney-Fox Talks are All about Defeating Netflix," <https://qz.com>, November 8, 2017.

¹⁶ Christopher Zara, "Here Are 5 Ways the Disney-Fox Merger Changes the Game," www.fastcompany.com, December 14, 2017.

¹⁷ Tae Kim, "Disney Deal with Fox would be a 'Home Run' in its Battle against Netflix and Amazon, Analyst Ives Says," www.cnn.com, December 13, 2017.

The acquisition would allow Disney to bolster its already vast library of TV content by adding a number of Fox-owned hit film franchises such as *Alien*, *Planet of the Apes*, *Predator*, *X-Men*, *Fantastic Four*, *Deadpool*, and *Avatar*. In addition, this could also drive home entertainment revenue by allowing the company to strike a better bargain with subscribers on rates, said some analysts. *“It gives a way for Disney to body slam Netflix as it launches its direct-to-consumer streaming to connect with younger people who wince at satellite and cable. It keeps Disney aligned on the right side of the shift in ‘the force’ of millennial led shifts in media,”*¹⁸ commented Eric Schiffer, CEO of a private equity firm The Patriarch Organization. The merger would also enhance Disney’s stake in streaming platform Hulu, which boasted of 15 million subscribers, to 60% from 30%.

According to some analysts, Fox’s international programming and distribution businesses would broaden Disney’s reach and give it sufficient assets to fuel its own DTC businesses. The acquisition would also support the company’s Consumer Products and Parks and Resorts segments. It would help Disney in expanding its international reach through foreign content-delivery vehicles. Fox’s 39% stake in Sky would give Disney nearly 23 million subscribers in Europe while the ownership of media mammoth, Star India, with over 50 TV channels in eight languages reaching 650 million customers, would strengthen Disney’s market share in India and boost its advertising and affiliate revenue. Moreover, Disney was expected to realize US\$2 billion in cost savings by combining both the companies’ overlapping businesses within two years of the deal being closed.

COMPETING WITH NETFLIX

According to some analysts, Disney’s move to streaming would “arguably reduce the consumer value of Netflix” as Disney was a vital piece of Netflix’s movie strategy that performed well. They pointed out that Disney’s larger library of content and distribution capabilities posed a competitive threat to Netflix.

¹⁸ Brandon Katz, “Disney vs. Netflix: How the Fox Sale Turns the Tide of the Streaming Wars Forever,” <http://observer.com>, December 14, 2017.

Moreover, the acquisition of Fox would give Disney more heft to fight Netflix and strengthen its position in the global media and entertainment markets. According to Joe McGauley, a senior staff writer for online media website Thrillist, *“It’s worth noting that Disney already owns a ton of hugely prolific and popular content producers, including Pixar, Lucasfilm, ABC and ABC News, and ESPN, but the Fox deal will allow it to create an even bigger walled garden to cash in on. [...] it should freak the hell out of Netflix, especially since its non-original content offerings are already pretty lean.”*¹⁹ Also, a majority stake in the streaming service Hulu, which had about 18 million subscribers in the US as of 2018 and had earned critical praise for some of its original shows such as *The Handmaid’s Tale* and *Marvel’s Runaways*, would make it a more formidable and dangerous competitor down the road on streaming, felt analysts.

Some analysts felt that Disney would be able to undercut Netflix on price as it was a successful entertainment company with its movies breaking records year after year. In 2017, Disney crossed the US\$5 billion mark in annual global box office for the third consecutive year including US\$1.76 billion domestically and US\$3.24 billion internationally.²⁰

However, some analysts felt that Disney’s decision to pull content from Netflix from 2019 would have little effect on Netflix. They pointed out that Netflix had lost content before, including movies from Paramount, MGM, and Lions Gate. Yet, its subscriber numbers had continued to grow and the company had successfully expanded its streaming service worldwide. According to them, Netflix had a strong hold over the OTT market that was not going to be disrupted and it was highly unlikely that Disney’s new offerings would match Netflix’s global reach anytime soon. They pointed out that by the time Disney launched its

¹⁹ Joe McGauley, “Disney is Buying 21st Century Fox in Its War against Netflix,” www.thrillist.com, December 14, 2017.

²⁰ “The Walt Disney Studios Hits \$5 Billion in Global Box Office for 2017,” www.thewaltdisneycompany.com, November 30, 2017.

entertainment-based streaming service in early 2019, Netflix would have about 64 million subscribers in the US and 158 million worldwide.²¹

On May 24, 2018, Netflix's market cap surpassed Disney's for the first time in history due to a surge in the company's stock price, making it the most valuable media company in the world. Netflix's market value was US\$152.7 billion, compared with Disney's US\$152.3 billion.²² However, Netflix's revenue remained well below that of Disney (*See Exhibit X and XI*).

Netflix was already making competitive moves by expanding its library of owned content including scripted dramas, documentaries, children's programming, and movies. In 2018, it planned to spend about US\$8 billion on new content – up from US\$6 billion in 2017. In August 2017, Netflix announced its first-ever acquisition by acquiring Millarworld, the comic book publisher behind popular franchises such as *Kick-Ass* and *Kingsman* which had been made into movies. In order to attract customers, Netflix also roped in Hollywood talent, making deals with noted producers and writers such as Shonda Rhimes, David Letterman, and Ryan Murphy. Asked how Disney's foray into streaming would affect Netflix, Ted Sarandos, Chief Content Officer of Netflix, said, *"I am not sure. I mean, it is new ground for them. So, we will figure it, they will figure out – they will find their way. Turning that revenue into a content cost is going to be an interesting balance. But they've got great brands and they will figure it out."*²³

However, top Disney executives said that the company's aggressive push into video streaming was intended not to threaten Netflix but to attract more consumers as the media industry rapidly changed. Mayer said,

²¹ Silvia Amaro, "Disney's Own Streaming Platform is Too Late and Arrogant, Fund Manager Says," www.cnbc.com, August 9, 2017.

²² Mike Snider, "Netflix Briefly Tops Disney as Most Valued Entertainment Company," www.usatoday.com, May 25, 2018.

²³ Stuart Lauchlan, "How Netflix Feels about the Mouse in the Room around Digital Media Disruption," <https://diginomica.com>, May 15, 2018.

*“We are not trying to hurt or kill Netflix. We are trying to serve consumers... Our success will not come from Netflix’s expense.”*²⁴

CHALLENGES

Critics pointed out that the streaming business had its own challenges and Disney had not proven any core competency yet in this space compared to its rivals. The company’s streaming technology, customer service and marketing had yet to be tested, they added. *“This is particularly key for a legacy organisation like Disney, as it will always have its golden era of television dominance as a benchmark – a dominance that still contributes a significant amount towards its profits. While it certainly has a responsibility to create as much value as possible, becoming a full stack streaming business is very different to being a content production house,”*²⁵ said Bola Awoniyi, a Digital Consultant at Econsultancy.

Some analysts opined that Disney was taking a risk by experimenting with paid streaming at the expense of its successful traditional cable businesses. They felt that the company was putting a very successful and settled part of its business model at risk. According to them, Disney’s shift from a horizontal to a vertical business model was one of the most complex transformations for any company and even more so for a corporation of the size of Disney. They felt that going forward Disney’s streaming service might cannibalize its lucrative TV business and leach away crucial revenue. In Q2 2018, Disney made about 40% of its total revenue – or about US\$24 billion – from its television networks, including ESPN, the Disney Channel, and ABC. Moreover, as Disney shifted from a licensed-to-third-party model to a self-distributed model, the company had to forego licensing revenue. Attracting customers to Disney’s new streaming service was also likely to be a big challenge for Iger. According to Michael Vorhaus, president of Magid Advisors, a media

²⁴ “Disney Denies Planning to Ruin Netflix by Pulling Content for Own Service,” <https://disneymovieslist.com>, February 14, 2018.

²⁵ Bola Awoniyi, “How Disney is Approaching Its Digital Transformation and Fighting Disruption,” <https://econsultancy.com>, January 11, 2018.

and digital video consultancy, *“What Disney is doing is a really big deal in terms of trying new things, and I don’t think it even has answers to some of these questions, including what the services will cost.”*²⁶

Another concern for Disney would be the growing competition in the OTT market as it was gatecrashing a market increasingly cluttered with services from rival companies (*See Exhibit XII and XIII*). Amazon had invested approximately US\$5 billion in video content in 2018 with an emphasis on big-budget original shows and sports rights. HBO had adopted a hybrid approach by launching a direct-to-consumer offering while signing new deals with distributors. YouTube was also vying for consumer attention as it launched two new subscription services YouTube Music and YouTube Premium in May 2018. Apple, Inc. planned to spend US\$1 billion on producing original movie and TV content of its own. *“I think the overall content business has got a challenge ahead... You’ve seen something like a five [times] increase in the content, and I don’t see how you monetize that. Combine that with the fact that you have new entrants — people like Amazon, Apple, Google, Facebook — who have different video monetization methods. That puts a lot of pressure on traditional content companies,”*²⁷ said Greg Maffei, CEO of media and entertainment company Liberty Media.

Some analysts considered the Fox acquisition as the riskiest move taken by Iger. They contended that acquiring Fox would tie Disney to older TV-distribution systems – cable and satellite TV – rather than helping it look forward. Moreover, as Fox Sports was not a part of the acquisition, it could rival ESPN, making it further difficult for the new sports-based streaming platform to acquire top sporting events. Some analysts were worried whether Disney’s family-friendly image would end up clashing with Fox’s adult-themed programming. Moreover, it would be a big challenge for Iger to integrate the two corporate cultures and lay out a new management structure for the enlarged company. *“The range of options that the various Fox units deliver will go a long way toward allowing Disney to offer a more diversified menu of*

²⁶ Brooks Barnes, “With Disney’s Move to Streaming, a New Era Begins,” www.nytimes.com, August 9, 2017.

²⁷ Cynthia Littleton, “Murdoch Sale Talks Underscore Digital’s Effect in Disrupting Hollywood,” <https://variety.com>, November 22, 2017.

*programming as it moves into the direct-to-consumer arena. But getting that material to the screen requires that the right managers and processes be set in place — all of which amounts to a Rubik's Cube challenge for Iger, because until he can lay out a structure, there's no certainty that key players at Fox will make the leap to Disney,"*²⁸ said Cynthia Littleton, Managing Editor, TV at *Variety*.

LOOKING AHEAD

In its third fiscal quarter ended June 30, 2018, Disney's revenue was US\$15.23 billion. Media Networks' revenues for the quarter increased 5% to US\$6.2 billion (*See Exhibit XIV and XV*). During the company's earnings call, Iger said that Disney's first ever DTC service ESPN+, launched in April 2018, had exceeded expectations. *"The product is working well technologically, it's quite stable from a streaming perspective. It's still early days, but conversion rates from free trials to paid subscriptions are strong, and subscription growth is exceeding our expectations,"*²⁹ he said. According to a Morgan Stanley note, if all went as planned, Disney's streaming services could grow to 30 million subscribers by 2028 and generate US\$5 billion in revenue and roughly US\$1.5 billion of EBITDA, ending in a US\$25 billion asset.

In order to step up its efforts to go direct to consumers, Disney reorganized its businesses in May 2018 and created a new DTC and international unit to oversee the launch of its family-oriented streaming service in late 2019. Mayer was named chairman of the new division and he was to report directly to Iger.

Disney's forthcoming entertainment based streaming service, dubbed as DisneyFlix by some analysts, would try to rake in a profit in a competitive streaming market by making only "quality" content and targeting families. Fox's adult-oriented shows would not be available on the new platform. Instead, they would stream on Hulu. As Iger geared up to accomplish Disney's streaming ambitions, the questions he faced were: Can Disney battle digital disruption and shake up the streaming market? Can the Fox acquisition

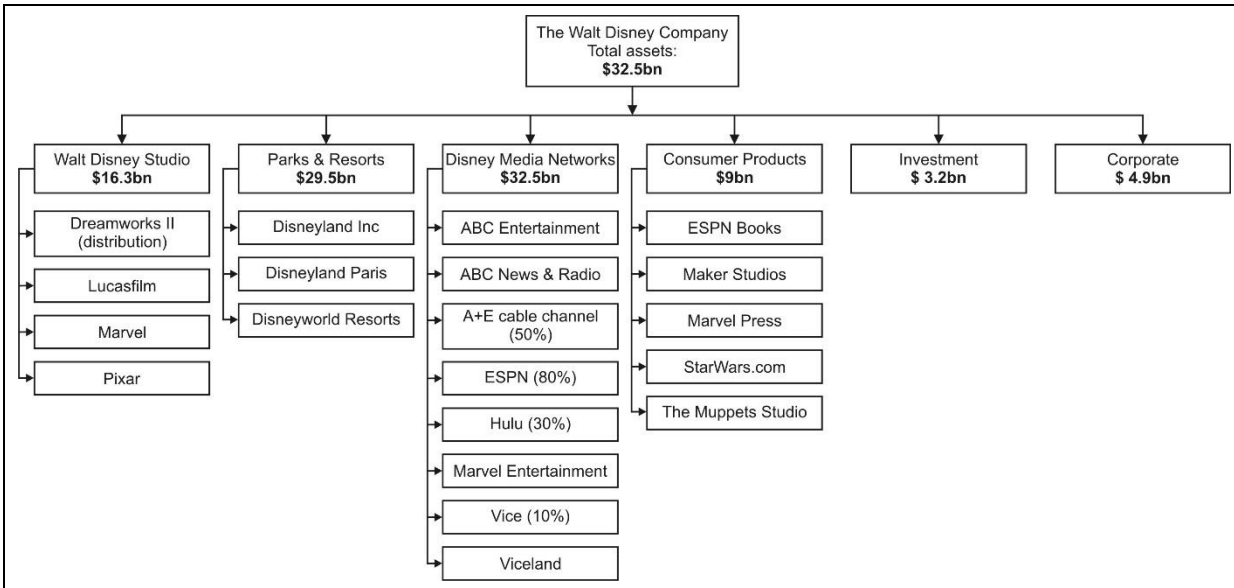
²⁸ Cynthia Littleton, "Bob Iger's Daunting Puzzle: How will Assets, Leaders Integrate in Fox-Disney Merger?" <https://variety.com>, January 30, 2018.

²⁹ Daniel Roberts, "Disney is Playing the Long Game with ESPN Plus Streaming Service," <https://finance.yahoo.com>, August 9, 2018.

help Disney in gaining a timely advantage in streaming content wars or was it too late for it to succeed in streaming? In the words of Thompson: *“Disney, in other words, is constructing what looks to be a worthy rival to Netflix. Will this be enough to inaugurate another century of dominance?[.....]. The company’s most likely path forward is to nurture Disneyflix gradually, in an effort to ease the decline of pay-TV and film – the equivalent of saving its flooding fortress by plugging each new leak as it springs. That may be a prudent way to maintain the status quo for a few more years. To save the kingdom, however, Disney may have to blow up the castle.”*³⁰

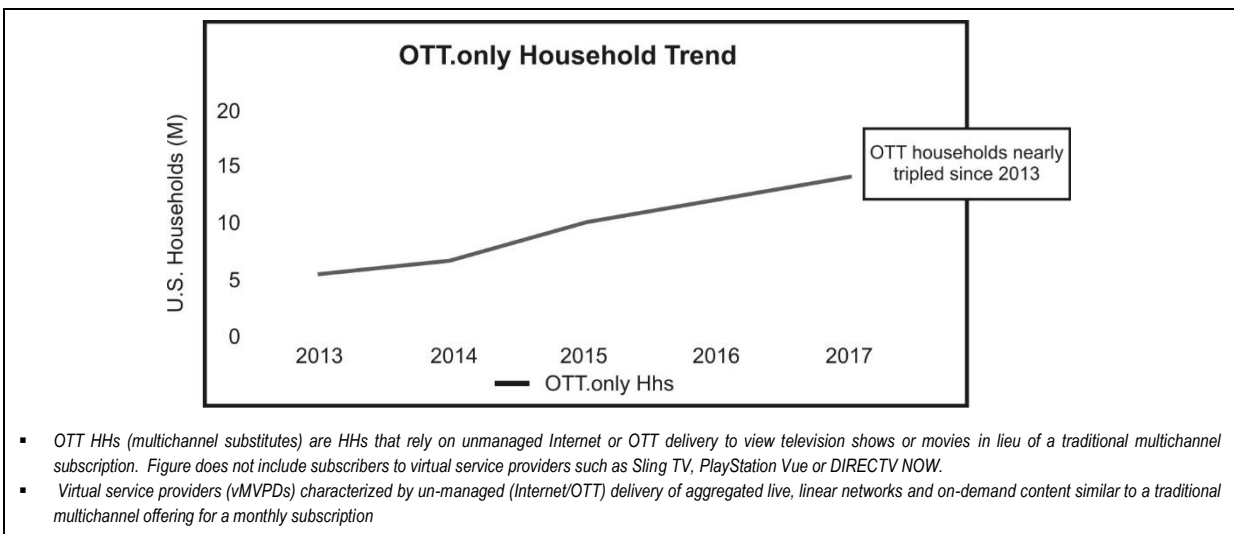
³⁰ Derek Thompson, “Disneyflix is Coming. And Netflix Should Be Sacred,” www.theatlantic.com, May 2018.

Exhibit I: Disney Media Empire



Source: US Securities and Exchange Commission

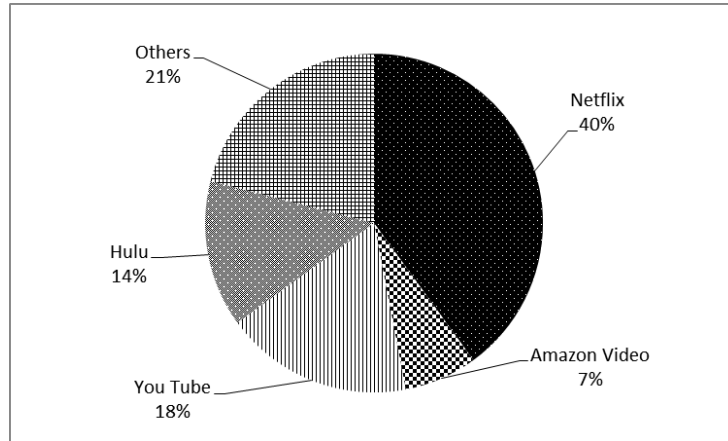
Exhibit II: OTT-Only Household Trend



Source: 2017 S&P Global Market Intelligence, Kagan. 2013 and 2014 data as of June 2014; 2015-2017 data as of June 2017.

Exhibit III:

Share (%) of Total OTT Viewing Hours

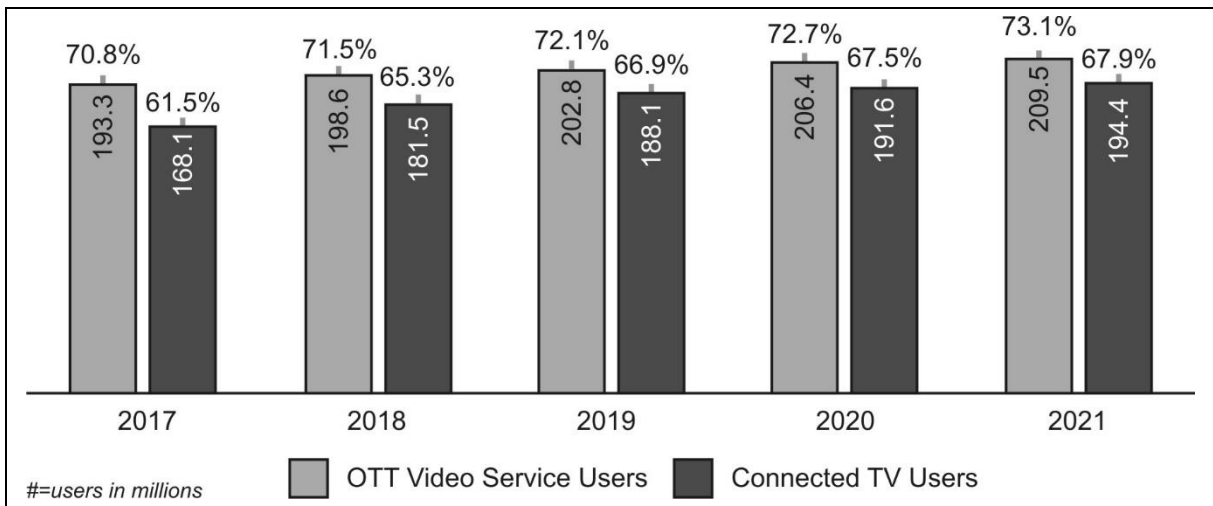


Source: comScore OTT Intelligence, U.S., April 2017; streaming usage based on consumption across TV-connected devices only.

Exhibit IV:

US OTT Video Service Users and Connected TV Users

Users in Millions and % of Internet Users

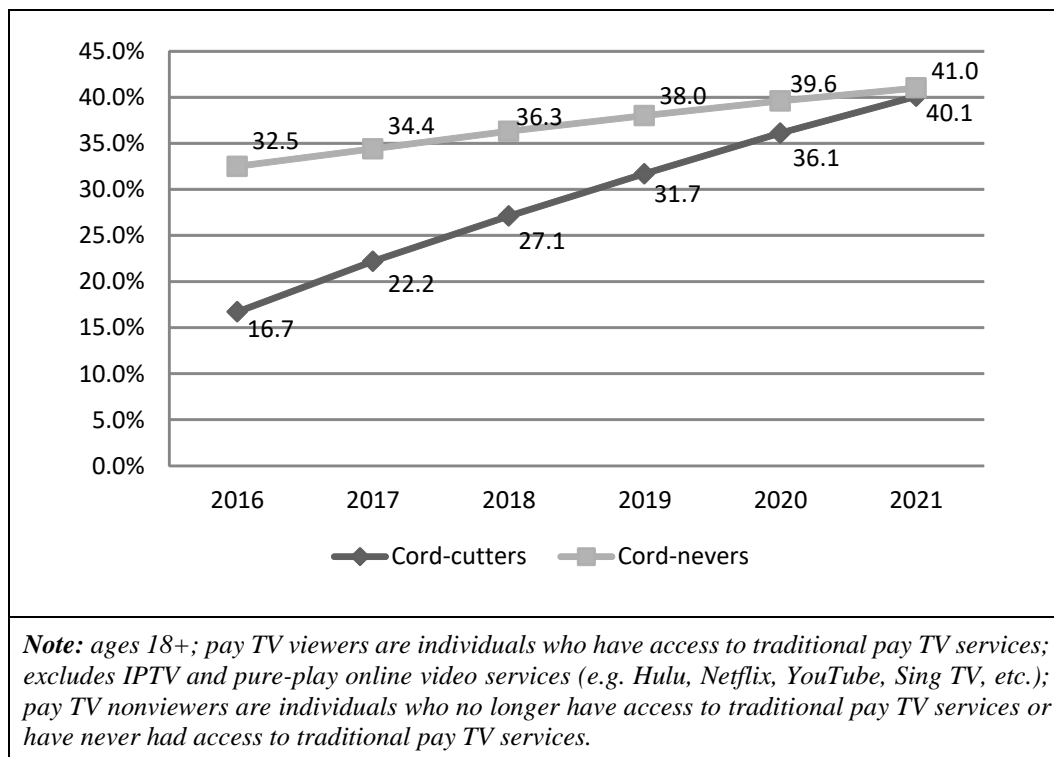


Source: eMarketer

Exhibit V:

US Pay TV Nonviewers, by Type, 2016-2021

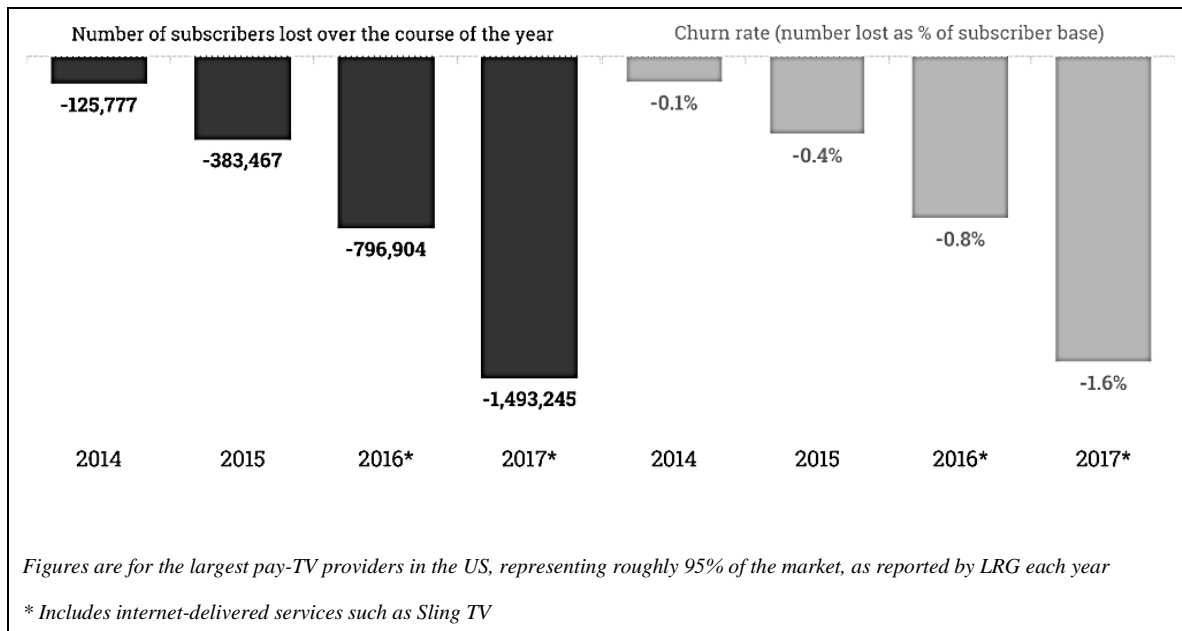
(in Millions)



Source: eMarketer, July 2017

Exhibit VI:

US Pay-TV Subscriber Losses, 2014-2017



Source: www.marketingcharts.com; Leichtman Research Group (LRG)

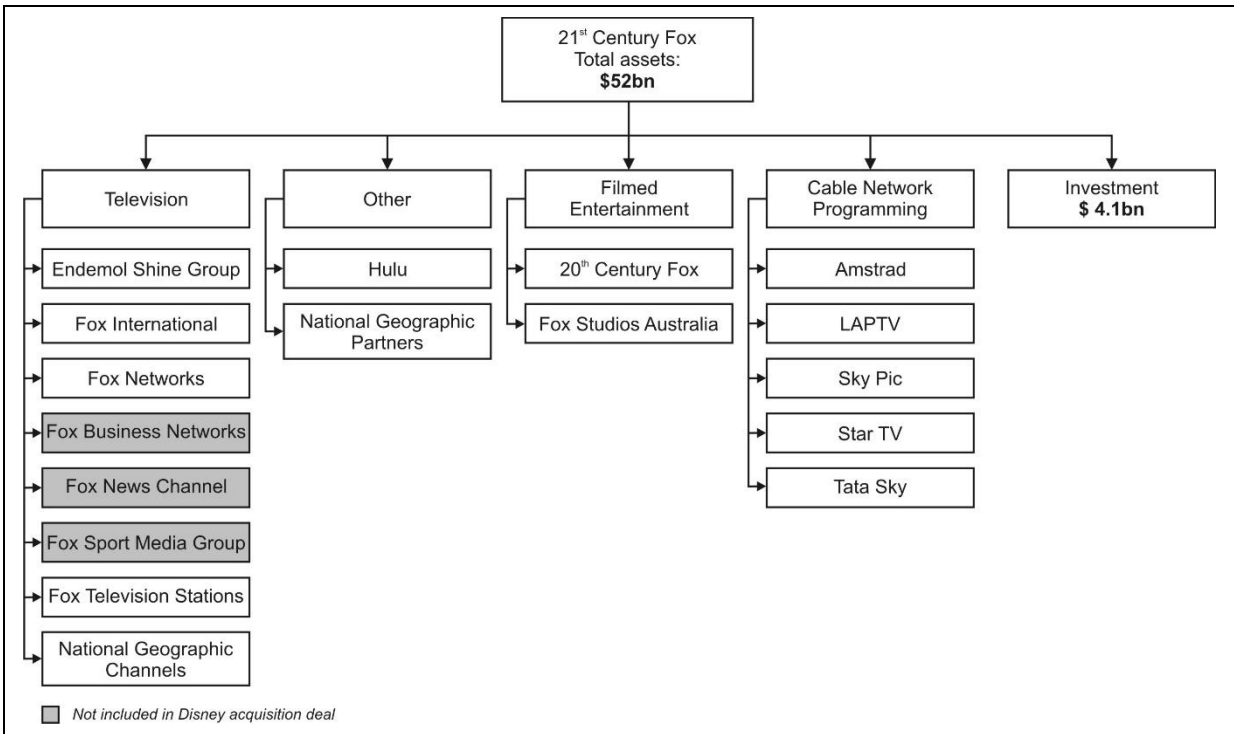
Exhibit VII:

Select Streaming Video Services

Streaming Service	Monthly Subscription Price	Content
Netflix	US\$7.99 per month for standard-definition stream on a single screen US\$10.99 per month for HD video on up to two screens US \$13.99 per month for Ultra HD video on up to four screens.	Movies and TV shows Popular original shows include: Narcos, Stranger Things, Ozark, Orange is the New Black as well as Marvel's The Defenders, Daredevil, Jessica Jones, and Luke Cage.
Amazon Prime	An Amazon Prime subscription, which includes Prime Video content and other shipping perks, costs US\$12.99 per month (or US\$119 per year). A video-only subscription costs US\$8.99 per month and only includes access to Amazon's streaming video library.	Movies and TV shows Popular original shows include: The Man in the High Castle, The Tick, The Grand Tour, Transparent, Comrade Detective.
Hulu	US\$8 per month with ads or US\$12 per month without ads.	Movies and TV shows Popular original shows include: The Path, The Handmaid's Tale, 11.22.63, Chance, Harlots
HBO Now	US\$15 per month.	Movies and TV shows and Sports A catalog of on-air original content, including Westworld and Game of Thrones, in addition to series such as Curb Your Enthusiasm, Deadwood, Girls, The Sopranos, Sex and the City, Six Feet Under, and The Wire.
You Tube Premium	US\$11.99 per month.	Original and Ad free content across YouTube, YouTube Music, YouTube Gaming, and YouTube Kids.

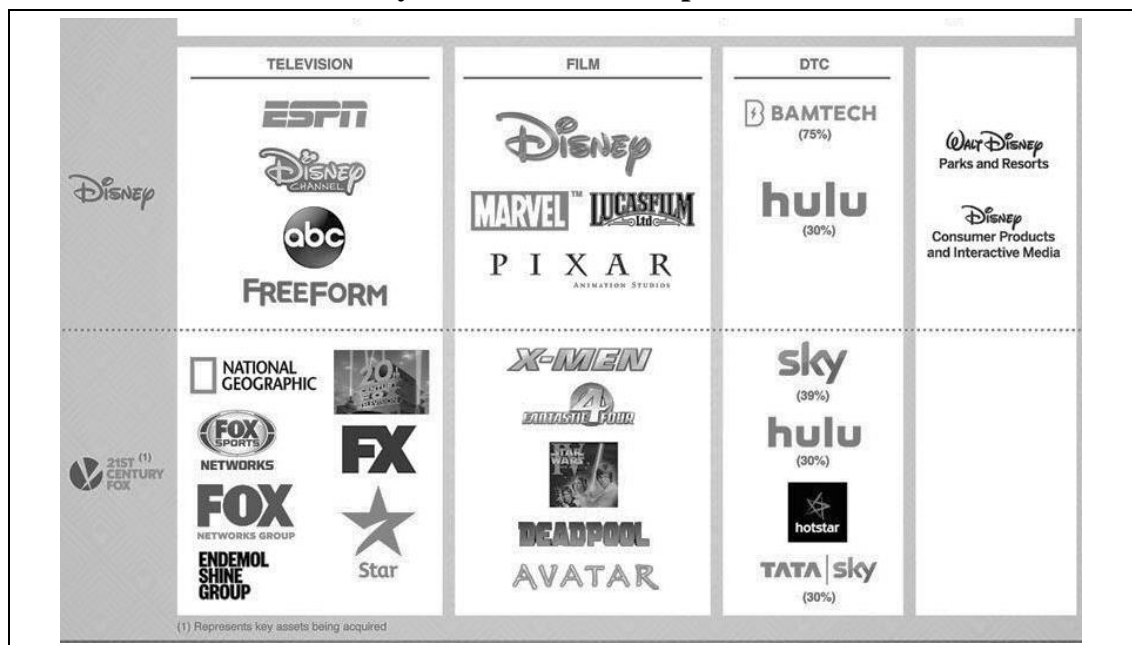
Compiled from various sources

Exhibit VIII Rupert Murdoch's Business Empire



Source: US Securities and Exchange Commission

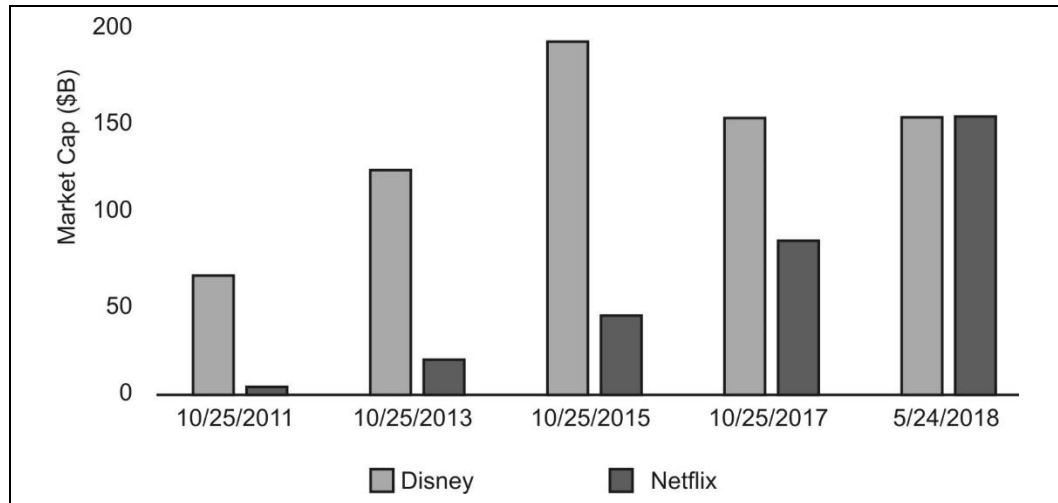
Exhibit IX: Disney- Fox Brand Mashup



Source: <https://www.sec.gov/Archives/edgar/data/1001039/000095015717001609/form425.htm>

Exhibit X:

Disney Vs. Netflix: Market Cap Comparison



Source: Bloomberg

Exhibit XI

Netflix Key Financials

(In thousands, except revenue per membership and percentages)

	As of year ended December 31			Change	
	2017	2016	2015	2017 vs 2016	2016 vs 2015
Global streaming memberships at end of period	117,582	93,796	74,762	25%	25%
Global streaming average monthly revenue per paying membership	\$9.43	\$8.61	\$8.15	10%	6%
Revenues	11,692,713	8,830,669	6,779,511	32%	30%
Operating income	838,679	379,793	305,826	121%	24%
Operating Margin	7%	4%	5%	75%	(20)%
Net Income	558,929	186,678	122,641	199%	52%

https://s22.q4cdn.com/959853165/files/doc_financials/annual_reports/0001065280-18-000069.pdf

Exhibit XII:

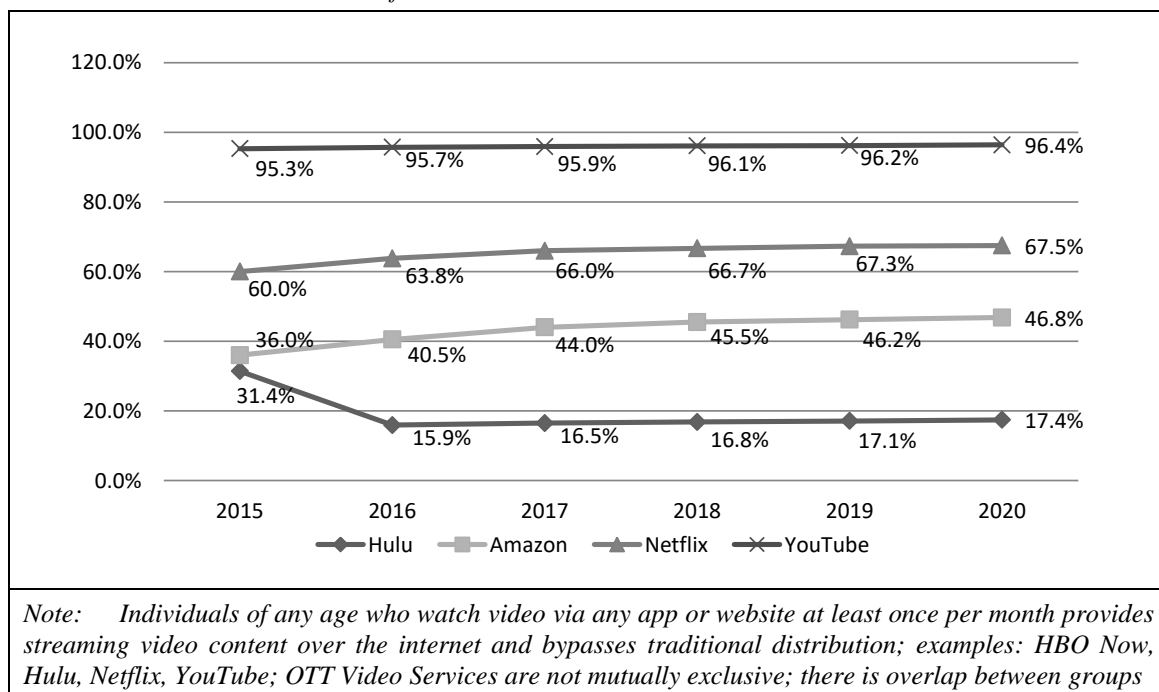
US Over-the-Top (OTT) Video Service Users, by Service Provider, 2015-2020

	2015	2016	2017	2018	2019	2020
OTT Video Service Users (Millions)						
YouTube	173.2	180.1	185.9	190.9	195.0	198.7
Netflix	108.9	120.0	128.0	132.6	136.4	139.1
Amazon	65.4	76.2	85.3	90.3	93.6	96.5
Hulu	57.1	30.0	32.0	33.4	34.6	35.8
Total	181.7	188.1	193.8	198.7	202.7	206.1
OTT Video Service User Growth (% Change)						
Amazon	13.7%	16.5%	11.9%	6.0%	3.6%	3.1%
Netflix	14.5%	10.2%	6.6%	3.6%	2.9%	2.0%
YouTube	5.3%	4.0%	3.2%	2.7%	2.2%	1.9%
Hulu	10.4%	-47.5%	6.6%	4.3%	3.7%	3.4%
Total	4.8%	3.5%	3.0%	2.5%	2.0%	1.7%
OTT Video Service User Penetration (% of OTT Video Service Users)						
YouTube	95.3%	95.7%	95.9%	96.1%	96.2%	96.4%
Netflix	60.0%	63.8%	66.0%	66.7%	67.3%	67.5%
Amazon	36.0%	40.5%	44.0%	45.5%	46.2%	46.8%
Hulu	31.4%	15.9%	16.5%	16.8%	17.1%	17.4%

Note: Individuals of any age who watch video via any app or website at least once per month the provides streaming video content over the internet and bypasses traditional distribution; examples include HBO Now, Hulu, Netflix and YouTube

Source: eMarketer

Exhibit XIII:
Select Over-the-Top (OTT) Video Service Users, by Service Provider, 2015-2020
% of Total OTT Video Service Users



Source: eMarketer

Exhibit XIV
Disney Segment Operating Results For Fiscal 2018 And 2017 (in millions of US Dollars):

	Quarter ended			Nine months ended		
	June 30, 2018	July 1, 2017	Change	June 30, 2018	July 1, 2017	Change
Revenues :						
Media Networks	6,156	5,866	5%	18,537	18,045	3%
Parks and Resorts	5,193	4,894	6%	15,226	13,748	11%
Studio Entertainment	2,878	2,393	20%	7,836	6,947	13%
Consumer Products & Interactive Media	1,001	1,085	(8)%	3,528	3,618	(2)%
	15,228	14,238	7%	45,127	42,358	7%
Segment operating income:						
Media Networks	1,822	1,842	(1)%	5,097	5,427	(6)%
Parks and Resorts	1,339	1,168	15%	3,640	3,028	20%
Studio Entertainment	708	639	11%	2,384	2,137	12%
Consumer Products & Interactive Media	324	362	(10)%	1,295	1,371	(6)%
	4,193	4,011	5%	12,416	11,963	4%

Source: <https://www.thewaltdisneycompany.com/wp-content/uploads/2018/08/q3-fy18-earnings.pdf>

Exhibit XV

Disney Media Networks Results (in millions of US Dollars)

	Quarter ended			Nine months ended		
	June 30, 2018	July 1, 2017	Change	June 30, 2018	July 1, 2017	Change
Revenues :						
Cable Networks	4,188	4,086	2%	12,933	12,576	3%
Broadcasting	1,968	1,780	11%	5,604	5,469	2%
	6,156	5,866	5%	18,537	18,045	3%
Segment operating income:						
Cable Networks	1,383	1,462	5%	3,967	4,117	(4)%
Broadcasting	361	253	5%	989	976	1%
Equity in the income of investees	78	127	5%	141	344	(58)%
	1,822	1,842	5%	5,097	5,427	(6)%

<https://www.thewaltdisneycompany.com/wp-content/uploads/2018/08/q3-fy18-earnings.pdf>