Case Backmound

- UTV-vario to excusol internations

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 The Coll from Disney

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- Wanted 18 the of shares
- Acquire Hungarte TV

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TheCaseSolutions.com

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 US market it great apparation

Problem Stateme

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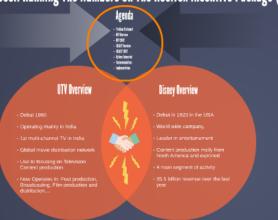
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- Set up UTV office in Disney HQ

TheCaseSolutions.com



Recommendations

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Ciption 1

- Exchange LTV shares for more control of Hungares TV PROS

PROS

- CONS

- Hungares TV created

- Profession selb

- Profession selb

- Participated

- Participat

Options Generated

Cption 3

Receitor of proposal and focus on internal operations.

PROS

- Condex over a posso

Keeping Cool: Running The Numbers On The Kooltex Incentive Package (B)

Agenda

- Problem Statement
- UTY Overview
- UTV SWOT
- DISNEY Overview
- DISNEY SWOT
- Options Generated
- Recommendation
- Implementation

UTV Overview

- Debut 1990
- · Operating mainly in India
- 1st multi-channel TV in India
- Global movie distribution network
- Use to focusing on Television Content production
- Now Operates in: Post production, Broadcasting, Film production and distribution,...



- Debut in 1923 in the USA
- · World wide company,
- Leader in entertainement
- Content production maily from North America and exported
- 4 main segment of activity
- 35.5 billion revenue over the last vear



Case Background

- UTV wants to expand internationally
- Not enough resources to do so without investors
- The Call from Disney
 - Wanted 14.9% of shares
 - Acquire Hungama TV
 - Wants local influence to enhance their business in India

Underlying Factors

- Need capital to invest in expansion
- US market is great opportunity
- Hungama TV is very promising for future interests

Problem Statement

"Should UTV consider a strategic alliance with Disney, at the cost of losing Hungama TV?"

UTV S.W.O.T

Strengths

- Great capacities to produce programs
- It has good Knowledge of the local market
- Owns a quickly growing new Channel (Hungama TV)

Opportunities

- Expand into international markets through partnership with foreign studio.
- Indian TV industry is expected to grow at 18 % annually.
- Prospects of including dubbed material.
- Kids segment was worth Rs 4.5 billion

Weaknesses

- UTV's overall profits fell almost Rs.20 million
- It completely moved out of the B2B business
- Lack of finances to further grow in the other locations
- UTV was slow at realizing their potential

Threats

- It had a low international presence.
- Investment requirements and risk in the content creation business were low.
- Evaluating the potential of the movie was very difficult

Disney S.W.O.T

Strengths

- Multibillion dollar company
- · Good brand image
- · Diversified in activities
- International market knowledge
- Already well established in India

Weaknesses

- · North American Centered
- · Lack partnership locally
- Minimal culture adaptation
- Weak against local competitors

Opportunities

- Expand to a new country
- Reach a fast growing market
- Strengthen positions

Threat

- Piracy
- Risk to miss a good opportunity
- Rising competition
- Rising Production Cost

Options Generated

Option 1

Exchange UTV shares for more control of Hungama TV

PROS

- Hungama TV control
- Partnership with Disney
- International Platform
- Disney's marketing expertise

CONS

- No decision making power
- Disney might refuse offer
- Potential UTV cultural change

Options Generated

Option 2

 Selling out Hungama TV & increase investment in all other verticals.

PROS

- Fastest growing industry
- No loss of revenue from Hungama TV
- Resource reallocation to all verticals.

CONS

- Loss of kids channel market
- Increased production costs
- Increased piracy

Options Generated

Option 3

 Rejection of proposal and focus on internal operations.

PROS

- Control over assets
- Organizational structure improvement
- No organizational culture change

CONS

- Slow growth
- No field experience
- Lack international expansion experience