

# Clarification Questions – General Facts

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## General Questions

### 1. Can we refer to other cases that are not listed?

*Answer:* Yes – the cases listed are just guidelines intended to get a general feel for the issues at hand.

### 2. Who is sitting at the table?

*Answer:* As stated in the general facts for all three problems, the negotiations in this competition will feature a client and his/her lawyer at the negotiation table. The competitors playing the part of the client are free to act as the client would in all aspects including in education level, knowledge of the facts/law and temperament. Teams are not expected to switch between clients and lawyers in between rounds, meaning that one competitor may play the role of the client for all three rounds if that team so desired.

### 3. Can teams rely upon the financial information readily available for the Chicago Blackhawks as provided by the Blackhawks organization itself, as well as other reputable financial institutions?

*Answer:* Yes, but not if it conflicts in any way with the information provided in the problem. Information exchanged at the negotiating table should be taken as fact. Outside sources may be used for context and to question figures given by the other side, but factual information exchanged at the table may be given to competition teams in their confidential facts and thus may be slightly different than actual figures.

## Round 1 – Line Change (General Facts)

### 1. In the Line Charge First Round problem, what is the meaning of the term AAV?

*Answer:* Average Annual Value.

### 2. The problem references both “years” and “seasons.” A hockey season spans two calendar years. Are we negotiating a deal for 7 years (6 seasons) or 7 seasons?

*Answer:* Seven seasons (the hockey calendar is referenced as a "year").

### 3. Page 2 of the general facts states the Hawks have won two Stanley Cup championships in the past three seasons. Our research shows they won 2009-10 and then 2012-2013, not two of the last three?

*Answer:* The Blackhawks have won two of the last three Stanley Cups.

### 4. Page 1 of the general facts – regarding WGN’s availability, please clarify – does the modifier “in the Chicagoland” apply to each Comcast, RCN, WOW! and ATT Uverse or is that just to ATTUverse?

Answer: Each of these providers.

5. Please confirm that the old deal was 50 games over the course of the entire deal.

Answer: That is correct, 50 games over the entire previous deal. Note: Only 7 Blackhawks games are being televised nationally.

6. Mobile Devices/Streaming: Can we sell the rights to those games that are not on WGN TV? Can WGN stream games that are on NBC, other channels, or not on TV at all?

Answer: Unless a game is televised nationally, competition teams may negotiate any combination of rights in this deal, but rights to national games may not be sold.

### Round 2 – Golden State Headache (General Facts)

1. RE the health insurance, the numbers in the narrative and in the chart are inconsistent. Which is correct?

Answer: The numbers in the *general facts* are correct. Due to a typo, the prices in both teams' confidential facts are incorrect. Please see below for the correct numbers. All other information in the chart is correct.

<i>Basic Health Insurance Facts</i>	<u>Full Family Comprehensive</u>	<u>Full Family Standard</u>	<u>Individual Comprehensive</u>	<u>Individual Standard</u>
<b>Cost per Year</b>	\$20,000	\$10,000	\$8,000	\$5,000

2. Is Hunter eligible for or receiving disability payments through the NCAA?

Answer: Presume that Simon is eligible to receive partial disability benefits through the NCAA and is receiving \$300/month from the Catastrophic Injury Program. Presume he did not purchase Exceptional Student-Athlete Disability Insurance through the NCAA.

3. I have a student who played college football and suffered a concussion. In addition, he had teammates who suffered concussions. Can he use his personal experiences during the negotiation without violating the rules?

Answer: Yes.

### Final Round – Feeling the Hornet's Sting (General Facts)

1. **NOTE:** The citation to *Ollier v. Sweetwater Union High Sch. Dist.*, 604 F. Supp. 2d 1264 (S.D. Cal. 2009) was to an early stage of the case. There is a later decision germane to round 3: **858 F.Supp.2d 1093 (S.D. Cal. 2012).**

# Clarification Questions – Group A Confidentialials

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## Round 1 – Line Change (WGN)

**1. Page 3 of the confidential facts, under TV Rights, it states we can agree to this a la carte price for internet. Does that really mean internet in this section or should that be ‘ TV ’?**

*Answer:* Any of these rights may be negotiated separately or as a package as a competition team sees fit.

**2. Page 3 of the confidential facts - What is the difference in the content that would be provided for free vs. internet based? (What is the incentive to subscribe)?**

*Answer:* That is for competition teams to determine. Competition teams should attempt to maximize the revenue for their client.

**3. Pg. 3 of the confidential facts – What do you consider the “Blackhawks territory?” (Please clarify how big it is for this negotiation as this could affect the terms of the media rights)?**

*Answer:* The Blackhawks television territory is defined by the NHL and is available through multiple sources.

**4. Is WGN authorized to pay \$7-13 million for mobile device rights per year, or is this a one-time flat payment encompassing all years of the negotiated contract term?**

*Answer:* These numbers are intended to be per year.

**5. Can WGN rely upon the Chicago Blackhawks 2013-2014 regular season schedule on the team’s website in determining the number of games NBC or NBC Sports Network will be broadcasting to establish the number of remaining games available for WGN to negotiate the rights to broadcast?**

*Answer:* No. Only 7 Blackhawks games are being televised nationally. This is clarified in the general clarification as well.

**6. Can WGN rely upon the financial information readily available for the Chicago Blackhawks as provided by the Blackhawks organization itself, as well as other reputable financial institutions?**

*Answer:* Yes, but not if it conflicts in any way with the information provided in the problem. Information exchanged at the negotiating table should be taken as fact. Outside sources may be used for context and to question figures given by the other side, but factual information exchanged at the table may be given to competition teams in their confidential facts and thus may be slightly different than actual figures.

## Round 2 – Golden State Headache (Simon)

**1. Page 4 of the confidential facts uses the phrase “Simon firmly believes”– is this a must have or merely a preferred outcome? (Further down, it appears that the negotiating authority is broader/Simon would be happy with the more broadly worded commitment of some kind)?**

*Answer:* No further clarification or change is appropriate. Each side is to negotiate for the best deal that can be reached for their client that is consistent with the instructions from their client. It is up to each negotiating team to determine what terms will comprise the best deal for their client.

**2. Page 4 of the confidential facts uses the phrase “He feels..” - is this a must have or merely a preferred outcome? (Further down, it appears that the negotiating authority is broader/Simon would be happy with the more broadly worded commitment of some kind)?**

*Answer:* No further clarification or change is appropriate. Each side is to negotiate for the best deal that can be reached for their client that is consistent with the instructions from their client. It is up to each negotiating team to determine what terms will comprise the best deal for their client.

**3. Page 3-4 of the confidential facts indicates that if the payout is weekly, Simon must have \$1M in life insurance. There does not appear to be a requirement for life insurance if Simon receives a lump payment. Please confirm this interpretation.**

*Answer:* No further clarification or change is appropriate. Each side is to negotiate for the best deal that can be reached for their client that is consistent with the instructions from their client. It is up to each negotiating team to determine what terms will comprise the best deal for their client.

**4. We would expect USC to seek some type of confidentiality clause, but page 1 of the confidential facts states Simon is looking to set precedent. Presumably that would require this to be a publically reported settlement. Please clarify our authority regarding a potential confidential settlement.**

*Answer:* No further clarification or change is appropriate. Each side is to negotiate for the best deal that can be reached for their client that is consistent with the instructions from their client. It is up to each negotiating team to determine what terms will comprise the best deal for their client.

**5. Please confirm the timeframe sought by Simon for the payout. At various places in the confidential facts, the facts report he is seeking 40 and 45 years.**

*Answer:* All life insurance policies are to be for 45 years.

**6. Are the value of the health and life insurance included in the overall package total value calculation, or just the salary/settlement sum?**

*Answer:* The overall package encompasses all monies paid out by USC in a settlement.

**7. What is the cost of life insurance premiums?**

*Answer:* Life insurance premiums for a person of Simon's age and condition are \$100-\$125 per \$100K of coverage for a forty-five year term policy; the variation between \$100K and \$125K depends on certain features, which make the more expensive policy more attractive to the insured.

# Clarification Questions – Group B Confidential

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## Round 1 – Line Change

**1. On page 2 of the Confidential Facts for the Blackhawks, with respect to the performance based opt-out, does the benchmark of achieving 3.6 average ratings in any one year (a) come due at the end of every single year for the next five years, or (b) is it a one-time option after five years?**

*Answer:* This is open for each competition team to determine how to use this direction in order to maximize the contract for their client.

**2. On page 1 of the Confidential Facts for the Blackhawks, under the “Number of Games Broadcast” section, the facts state that the Blackhawks ownership would like to have “60-70 games of the total games televised.” Does this mean that the 60-70 games also includes games that will be broadcast on WGN and NBC?**

*Answer:* This is for the number of games broadcast under terms of this deal. The nationally televised games are coordinated through the NHL and are not part of this deal.

## Round 2 – Golden State Headache

**No questions.**