

Hacker

If Gates agrees to invest:

1. Package
 - a. Investment
 - b. Stock
 - c. Responsibility
 - d. Royalty

If Gates not agree to invest:

1. Freedom: Marketing, R&D
 - a. More Stock
 - b. Chairman
2. Royalty: 10-15 percent

Hacker's Interests

Priority	Interest	Action
1	Have more freedom on R&D	Sign an agreement with Stars that the company will support a number of new products Hacker invests
2	More support on Marketing	If Gates agree to invest: Let Gates take control of marketing If Gates does not invest: Sign an agreement with Stars that the company will increase the advertisement on new products
3	Royalty	Don't mind to share 10-15% of royalty to Stars if the first 2 items can be accomplished

Star's Interests

Interest	Action
Earn money with minimal financial risk	If Gates agree to invest: Stars can earn money with minimal risk and without devoting a lot of time If Gates does not invest: Hacker sacrifices 10-15% of the royalty in an exchange of more freedom on R&D and Marketing
Devote less time on the business	

BATNAs

- Give 50% of the royalty to Stars in an exchange of an agreement that Hacker will have more freedom and discretion on R&D.
- Actively seek new investors to invest in HackerStars (Probably Gates)

Strategy

- Tell Stars that he will be able to make more money without extra risk and time if he agrees Gates to invest in the company and take control of Marketing
- Tell Stars that Gates is very interested in investing HackerStars
- Be flexible about royalty since Hacker care more about R&D than money

Action Plan

1. Identify Stars' interests (probably more money and less risk and time involvement)
2. Convince Stars to let Gates invests in the company
 - a. Reasons:
 - i. more possibility to have large financial gain
 - ii. Gates will be responsible for Marketing, and Hacker will concentrate on R&D. So Stars can spend less time on this business
3. If Stars agrees to let Gates join, come up with a package deal
4. If disagrees, try to make an agreement with Stars to increase Hacker's freedom and discretion on R&D and Marketing
 - a. Strategies:
 - i. Tell Stars that Gates is very interested in investing HackerStars, so Hacker always has a backup plan
 - ii. Be flexible about royalty since Hacker care more about R&D than money