



The Social Network



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← Meet Team Deal Dynamos



Hedao,
Shreenidhi



Mangamuri,
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Maliakkappady,
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Kadari,
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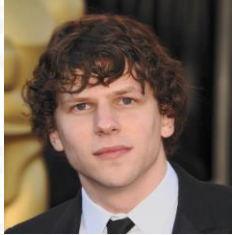
← Introduction

We'll explore the negotiation and conflict scenes from "The Social Network" to understand how clear agreements, trust, fairness, strategy, and law are crucial in business deals. These scenes also show the difficult dynamics and legal challenges entrepreneurs can encounter with partnerships.

← Overview

- "The Social Network" portrays Mark Zuckerberg's creation of Facebook, exploring its origins and the legal and interpersonal challenges that accompany its rise. Zuckerberg, played by Jesse Eisenberg, is shown as a gifted yet socially awkward student navigating Harvard's elite social scene and tech entrepreneurship.
- Controversy follows the website's rapid growth, as Zuckerberg faces accusations of idea theft by the Winklevoss twins and Divya Narendra, while financial disputes with co-founder Eduardo Saverin, played by Andrew Garfield, lead to courtroom showdowns.
- Sean Parker, portrayed by Justin Timberlake, enters the scene as a seasoned tech entrepreneur, influencing Facebook's expansion and further complicating the company's early dynamics.

← Movie Characters



Mark
Zuckerberg



Sean Parker



Eduardo
Saverin



Mark's Lawyer



Winklevoss
Twins



Eduardo's Lawyer

← Scene Background



This crucial scene in "The Social Network" takes place at the beginning, when Eduardo Saverin and Mark Zuckerberg are negotiating the equity split for the newly formed Facebook.

The negotiation takes place at a crowded nightclub and begins informally, with Mark jotting the parameters on a napkin. They agree that Eduardo will give the initial financing in exchange for 30% ownership of the company.



← Equity Negotiation with Eduardo Saverin



← Questions



01

What emotions are evident between Mark and Eduardo during the negotiation?

During the negotiation, there's a mix of excitement and underlying tension thinking about future of the company. This emotional complexity hints at both the initial trust and the eventual betrayal that will strain their partnership as the company grows.

02

What negotiation tactics did Mark Zuckerberg use to agree with Eduardo on the equity split for Facebook?

- Informal
- High-pressure
- Expedient

← Scene Background



In this scene Eduardo discovers a cease-and-desist letter that Mark Zuckerberg received from Winklevoss twin's lawyer which accuses Mark of intellectual property theft about their idea of social networking site.

The twin's lawyer confronts Mark about Facebook, but he undermines lawyer's authority by giving some witty and sarcastic responses. He turns the legal proceedings into a joke by giving "minimum amount of attention".



← Facebook under fire : The Cease-and-Desist letter



← Questions



01

How do you think Mark's attitude towards the lawyer reflect his character?

Mark's behaviour reflects his unwavering confidence in his own perspective, and he believes that he is on the right path regardless of the legal obligations. Mark appears unworried by the legal threat and remains calm and dismissive. Even though the lawyer asserts that he could face legal action he replied with sarcasm ,this shows his intelligence and defiance.

02

What are the negotiation tactics used by Mark in this scene?

- Deflection
- Intellectual Aggression
- Confidence

← Scene Background



The Winklevoss twins consider meeting the President of Harvard, hoping to address their concerns.

However, the President disregards their grievances, arguing that they fall beyond the scope of school matters and downplays the significance of their website.



← Winklevoss Twins Meet the Harvard President



← Questions



01

Did you sense any conflict between the Winklevoss brothers and the President?

The President of Harvard asserts his authority and dominance at the very beginning by undermining the importance of the meeting and this made it challenging for the Winklevoss twins to establish any leverage and solidify their proposal.

02

What type of Negotiation tactics were use by the President in this situation?

- Hardball Tactics
- Aggressive Tone
- Intimidation

← Scene Background



Christy Lee arranges for Eduardo Saverin and Mark Zuckerberg to meet Napster co-founder Sean Parker, who presents a "billion-dollar" vision for the company. Mark is impressed, but Eduardo dismisses him as paranoid and delusional.

Characters involved in the scene: Eduardo, Lawyers, Sean Parker, Mark Zuckerberg, Christy Lee

Facts to know:

- Sean Parker was ousted from two companies (Napster and Plaxo) before getting involved with Facebook.
- Facebook existed in 29 schools by now and has over 75k members.



← Sean's first interaction with Mark and Eduardo



← Questions



01

Was there any types of conflict involved in the scene? If any, between whom was this conflict observed?

- Difference in alignment of interest: Long-term vision and strategic priorities between Mark and Eduardo
- Lack of Trust and reliability: Between Sean and Eduardo

02

What are the traits of each character in this scene? What are the negotiation tactics used by them?

- Sean Parker: Building rapport, relatability through storytelling, using persuasive language, establish credibility by analogy, highlight benefits, creating urgency
- Eduardo: Risk assessment, alignment of interest by asking Sean a question
- Mark: Focused, determined, building trust with Sean

← Scene Background



In this scene Eduardo flies to California and finds out that Sean is setting up meetings for Facebook and confronts Marks about it. As soon as he arrives, he finds out that Sean is handling the business end of Facebook and he gets into a heated argument with Sean and Mark.



← Eduardo vs Sean



← Questions



01

Why do you think Eduardo decided to freeze the assets? What were the major reasons of conflict among them?

Business strategy differences
Personal Dynamics
Credit and recognition

02

What type of Negotiation tactics were use by Sean, Eduardo and Mark in this situation?

- Eduardo – Hardball, Emotional Appeal, Direct Confrontation
- Mark – Deflection
- Sean – Bad Cop, Stonewalling

← Scene Background



Eduardo discovers that new investment deals have been structured in such a way that only his ownership percentage in the company has been significantly reduced.

Eduardo feels betrayed by Mark because he was not fully informed about these arrangements and because the dilution significantly diminishes his influence and stake in the company he helped to found.



← Eduardo's share dilution and betrayal from Mark



← Questions



01

How effective were Eduardo's emotional appeals in this negotiation? Could he have approached the situation differently for a better outcome?

Eduardo could have approached the situation differently by combining his emotional appeals with a more strategic and business-focused negotiation strategy. He could have Sought Clarification and Information, Engaged in Constructive Dialogue, Leveraged Legal Counsel, Appealed to Shared Goals

02

How would you describe the negotiation tactics employed by each character in this scene?

- Eduardo - Emotional Appeal, Direct Confrontation
- Mark - Stonewalling, Deflection, Information Asymmetry(Blindsided)
- Sean - Bad Cop, Hardball

← Final Settlement



Eduardo Saverin received an unknown settlement. His name has been restored to the Facebook masthead as a Co-founder.

Cameron and Tyler Winklevoss received a settlement of 65 million dollars and signed a non-disclosure agreement.





Key Takeaways



- **Understand the value of what you're offering or negotiating over**
- **The importance of clear agreements and contracts**
- **The role of leverage in negotiations**
- **Understand the emotional and relationship dynamics**



Thank You