

## BUSINESS

### Business Origins



## Netflix

### Exercise 1

## Warm-up

Have a short conversation based on the questions below.

1. Do you prefer streaming or watching broadcast TV? Why?
2. Do you use Netflix? If so, when did you sign up?

### Exercise 2

## Vocabulary

### 1.launch

Verb

**lɔːntʃ**

to make something available to the public for the first time

Example: The new web site will be **launched** at the end of the month.

### 2.subscription

Noun

**səb'skrɪpʃən**

an arrangement to receive something regularly by paying in advance

Example: I've decided to cancel my **subscription** to Netflix.

### 3.introduce

Verb

**ˌɪntrə'duːs**

to make something available or put to use for the first time

Example: Canada **introduced** a new immigration law last week.

### 4.streaming

Noun

**'striːmɪŋ**

a way of sending and receiving data, especially video, over the internet

Example: I used Netflix for years, but I decided to sign up to a new **streaming** service last month.

### 5.phase out

Phrasal Verb

**feɪz aʊt**

to stop using something over a period of time

Example: The government has announced plans to **phase out** single-use plastic bags.

### 6.expand

Verb

**ɪk'spænd**

to make or become larger, more important, etc.

Example: Officials have announced plans to **expand** the city's main airport.

## Exercise 4

# Article

Netflix is available in over 190 countries and has about 220 million subscribers, but did you know it started as a DVD rental service?

Netflix was founded in 1997 by Reed Hastings and Marc Randolph. Randolph worked at Hastings' software company, Pure Atria, and the two men often discussed business ideas on their way to work.

Randolph told the *Silicon Valley Business Journal* that one of those ideas was an online videotape rental service.

Now Netflix's CEO, Hastings has said he got the idea after having to pay a fee for returning a videotape late.

However, videotapes were difficult to ship, said Randolph, and they decided the business wouldn't work.

But in 1996, the year before they were released in the US, Randolph and Hastings read about DVDs. Realizing DVDs would replace videotapes and were easier to ship, Netflix was born.

Netflix.com was **launched** in 1998 as a DVD rental and sales site, letting people receive and return them by mail.

At first, a rental cost around \$4 plus a \$2 shipping fee and could be kept for seven days. But in 1999, Netflix launched its **subscription** service, which allowed users to rent as many DVDs as they liked without return dates and late fees.

By 2007, Netflix had shipped 1 billion DVDs worldwide.

That same year, the company **introduced** an online **streaming** option for some of its movies and TV shows. And in 2008, the company started working with brands like Microsoft's Xbox to allow streaming on different devices.

In the years that followed, the company began **phasing out** its DVD rentals and focused on **expanding** its streaming service to other countries and releasing its own original shows and movies.

By the end of 2021, Netflix had more than 2,400 original titles.

## Exercise 5

# Discussion

1. What are your thoughts on the story of Netflix?

2. When was the last time you watched a videotape?
3. Are there any DVD rental stores in your town or city?
4. What are your country's biggest streaming services? Do they produce a lot of original content?
5. What TV shows are you currently watching?
6. Are there any TV series you've seen more than once?
7. Have you binge-watched many TV shows?
8. What upcoming TV shows are you excited for?