#### THE WALL STREET JOURNAL.

### Critical Thinking Resource

**Business** 

### About The Wall Street Journal's Critical Thinking Resource

We developed this guide to help you maximize The Wall Street Journal as a resource for your classes. You'll be able to energize discussions and engage students with tangible examples of course concepts that your students can apply in the real world. In addition, with the help of faculty partners, we've curated a special collection of our most popular and thought-provoking articles across business. For each of these readings, we provide a summary, correlation to course topics, classroom applications and questions suitable for launching discussions and conducting assessments.

Here are some of the many ways to incorporate WSJ into your courses:

- **Course Readings:** Assign articles as required reading alongside your textbook sections. For best results, include assessment questions on quizzes and exams.
- **Discussion Launchers:** Use articles to spur classroom and threaded discussions in online and hybrid courses on core concepts and current events.
- Extra Credit: Allow students to read optional articles and answer assessment questions for extra credit.
- **Group Projects:** WSJ is a rich source of real-world topics for group research and presentation projects.
- Research Papers and Case Studies: WSJ features provide timely citations for research projects.

#### Subtopic: Business Model Innovation

#### **Table of Contents**

- 1. Bob Dylan Sells Entire Songwriting Catalog
- 2. For Ford's Car-Racing CEO, a Humble Van Looms Large
- 3. WhatsApp Outlines Future Payday From Users Messaging With Businesses

## **Bob Dylan Sells Entire Songwriting Catalog**

Reporters: Anne Steele

Reviewed By: Brian Tietje, Cal Poly (San Luis Obispo)

Date: December 7, 2020

**Topics:** Business Models, Entertainment Industry

Link to Article: Click Here

**Summary:** Bob Dylan, the 79-year-old legendary pioneer of modern rock music, and the only songwriter to win a Nobel Prize for Literature, has sold his entire publishing catalog—more than 600 copyrights spanning 60 years—to Universal Music Publishing Group, according to the company. Over the past five years, owning and selling the rights to music has become more valuable as revenue from music streaming on services such as Spotify Technology SA and Apple Inc.'s Apple Music has grown. For a related article see "Stevie Nicks Sells Stake In Catalog Of Her Work" (https://www.wsj.com/articles/stevie-nicks-sells-stake-in-songwriting-catalog-11607095635).

**Classroom Application:** You can ask your students to explain all the different ways that a musical artist and his/her library can generate revenues. Students can present their explanation through narrative text, a presentation or a visual infographic. If you want to take the activity one step further, ask students to create a comparative depiction of the business model from the past vs. the present to illustrate how revenue sources like streaming have become even more prevalent. To cap it off, you can ask students to critically evaluate what's happening in the music industry, both positive and negative, as a result of these business model innovations.

#### Questions:

- 1. In your own words, explain the business deal that Bob Dylan has made with Universal Music.
- 2. List and describe the various ways that music libraries generate revenues.
- 3. How have the revenue sources for music libraries changed over time, and how have they changed as a result of COVID?
- 4. In your own words, explain the tax implications of Bob Dylan's deal with Universal. In particular, explain how making this deal now will be beneficial to his estate later.
- 5. (Related article) The article about Stevie Nicks explains that Primary Wave will help generate more revenue from her catalog. How?
- 6. In your estimation, what are the positives and negatives of these innovations in how artists generate revenues from their music library.
- 7. What could other musical artists, even those who are not as popular as Bob Dylan or Stevie Nicks, learn from these examples?

### For Ford's Car-Racing CEO, a Humble Van Looms Large

Reporter: Mike Colias

Reviewed By: Brian Tietje, Cal Poly (San Luis Obispo)

Date: November 12, 2020

Topics: Auto Industry, Business Models, Services Industry

Link to Article: Click Here

**Summary:** A racer of vintage cars, Jim Farley has spent his first few weeks as Ford Motor Co. 's chief executive thinking about one of the company's more utilitarian models: a cargo van. Ford is planning an electric version of the Transit, the top-selling U.S. van used by plumbers, delivery companies and other businesses. Set to go on sale next year, the vehicle highlights two pillars of Mr. Farley's growth strategy: extend Ford's lead in commercial vehicles and add new subscription services that will generate profit after the sale.

**Classroom Application:** As a classroom activity, you could have your students envision the full suite of services that Ford could offer its commercial customers who purchase the electric Transit. You could have students create and deliver a presentation as a team project, role playing themselves as Ford representatives trying to sell the suite of services to a commercial customer. Put emphasis on the idea that Ford is trying to fundamentally change and expand its business model through new service-based revenue sources.

#### **Ouestions:**

- 1. List and describe at least three features of Ford's electric Transit van.
- 2. For each of the features you described in the previous question, describe what the benefits are to commercial customers.
- 3. Describe the subscription services that Ford is planning to offer its customers who purchase the electric Transit van.
- 4. Critically evaluate the business potential of selling subscription services compared to Ford's traditional role of selling vehicles.
- 5. Describe at least two ideas you have for how Ford can provide subscription services associated with its Transit van. These ideas should be ones that are not already mentioned in the article.

# WhatsApp Outlines Future Payday From Users Messaging With Businesses

Reporter: Jeff Horwitz

Reviewed By: Brian Tietje, Cal Poly (San Luis Obispo)

**Date:** October 22, 2020

Topics: Business Models, Social Media

Link to Article: Click Here

**Summary:** After years of searching, Facebook Inc.'s encrypted messaging platform WhatsApp says it has a plan to make money from the services it provides at no cost to more than two billion users. The messaging service said it will soon give merchants the ability to store, analyze and manage their WhatsApp communications with customers Facebook's company servers. Currently businesses must arrange to store and handle such data for themselves.

Classroom Application: You can use this article when teaching the concept of business models—how companies actually make money in the course of doing business. There was a day when business models were simple, like how a retailer buys products at wholesale costs, sells them at retail prices and pockets the difference. But now that so much commerce is in a digital environment and there are so many services that seem to be "free," and so much venture capital money invested in startups who don't actually have a business model—yet—this concept takes far more investigation to uncover. For a learning activity, you could ask your students to both describe in narrative text and visually depict WhatsApp's business model. That is, who will pay it for what. And, you can also ask students to critically evaluate WhatsApp's proposed business model and compare the model to other alternatives.

cont.

#### Questions:

- 1. Who currently uses WhatsApp and for what purposes?
- 2. What are some of the distinguishing characteristics of WhatsApp in comparison to other social media platforms?
- 3. How does WhatsApp make money presently?
- 4. Describe how WhatsApp is planning to make money in the future? That is, who will pay it and for what?
- 5. Critically evaluate WhatsApp's business model, which you described in the previous question.
- 6. How else could WhatsApp have tried to generate revenues? How do these options compare to the business model that WhatsApp has chosen?