What’s next for Netflix?

It was a bombshell announcement when Carl C. Icahn disclosed late on Wednesday that he had taken a 9.98 percent stake in Netflix. The question now is, what happens next?

Mr. Icahn is a master of activist investing. Since 1994, he has conducted 106 campaigns at 88 companies, according to the data provider Factset SharkRepellent. His modus operandi is to make an investment, then agitate for change or a quick sale. If that does not work, he will nominate a slate of directors to the board to do the same.

The Netflix investment may follow this pattern. Read more here.

SEC’s Role in Enforcing the Federal Securities Laws

In a recent speech, SEC Commissioner Luis Aguilar called for increased enforcement activity against individuals, with more frequent use of Officer and Director bars, monitoring of recidivists through post-enforcement monitoring mechanisms such as access to phone and bank records and income tax returns, and passage of the SEC Penalties Act. This speech reflects a blurring of the line that should separate the role of criminal prosecutors from that of the SEC. Read more here.

UK Court Reprimands Apple over Samsung Statement

Apple reluctantly issued a statement on its U.K. website last week acknowledging that Samsung didn’t crib the iPad tablet design, despite Apple’s claims to the contrary. Read more here.

MARK YOUR CALENDARS

Events this week:

- The Foreign Corrupt Practices Act (FCPA) & Corporate Social Responsibility, featuring Shawn J. Chen, Partner, Cleary Gottlieb & Judith Germano, Chief, Economic Crimes Division, U.S. Attorneys Office for the District of New Jersey, Tues., Nov. 6, 12:10-1:30pm, Room 128
- YLBS Coffee Chat with Seun Adebiyi, the founder of the first bone marrow registry in Nigeria, Tues., Nov. 6, 1-2pm, Room 124
- YLS Entrepreneurs Series: Janis Foo ’13, Founder/Owner, Cut Cloth LLC, Thurs., Nov. 8, 12-1pm, Room 128

Events next week:

- Is the YLS-SOM 3-year JD/MBA Program for you? Panel with current JD/MBA students and faculty, Tues., Nov. 13, 12:10-1:30pm, Faculty Lounge
- Careers in Business: Kesav Mohan, EVP and Legal Advisor of Bizlab. Dinner is provided. RSVP to ylbs.board@gmail.com. Thurs, Nov. 15, 6:15-7:45pm, Room 128

Disney Buys Star Wars

On October 30th Disney agreed to buy Lucasfilm, the production company behind “Star Wars”, for $4 billion in cash and stock. The entire bounty goes to George Lucas, the creator of Star Wars, who owns 100% of Lucasfilm. It cements his reputation as the most financially canny filmmaker alive. Lucas, who is 68, is expected to retire. Yet he will remain a forceful presence. He will be one of Disney’s largest shareholders, and he is sure to advise it on the new Star Wars films.

Disney revealed plans for a seventh Star Wars film, “Star Wars: Episode VII,” with eyes on theatrical release in 2015. Disney executives also said they wanted to release an "Episode VII" and "Episode IX" as well.

For Disney, buying another mega-franchise makes sense. As of June, it had around $4.4 billion of cash on hand. Read more here.

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With contributions from the YLBS Board and members