

**Massachusetts Institute of Technology
Sloan School of Management**

15.434 Corporate Finance
Spring 2001

Assignment for Monday, April 2nd

Case: Home Shopping Network

Questions:

1. What has been HSN's product market strategy? Its financial strategy? Have they been sound and successful?
2. Assess HSN financial performance. Is its stock price reasonable?
3. What should HSN do to expand further?
4. How should HSN finance its growth? (Attached is an optimistic forecast).
5. As HSN's banker, what would you advise the company to do? What specific proposals would you advance to help the company confront and enhance its financial future?

Assignment for Wednesday, April 4

We will continue with Home Shopping Network and we will discuss the Kaplan and Stein article, "The Evolution of Buyout Pricing and Financial Structure in the 80's" in your case packet. You should write up a one-page summary of the article.