

In December 2017, both Rio de Janeiro and São Paulo state governors approved laws to regulate the sector. State Law 16.575/17, was approved on 15 December 2017, creating a tax collection of 2.9 percent of ISS (Services tax), over the operations in São Paulo State, where Netflix is installed since 2011 when arrived in Brazil. (G1, 2016)

Finally, this article investigates the unit of analysis of this single case study (Yin, 1988), *Netflix Entretenimento Brasil Ltda.*, hereafter Netflix Brazil, started its operations on 27 April 2011. In the next section, the methods and limitations are described.

Methods and limitations

The present descriptive, single case study is based on qualitative, inductive, interpretive, multiple methods approach, combining extensive archival research, direct observation, and single case study, which unit of analysis (Yin, 1988) is Netflix Brazil, located at São Paulo State, Brazil.

This research is limited to the streaming video company entitled Netflix Brazil, therefore, abiding by local regulations, such as the Telecommunications General Law nº 9.472 (*Lei Geral das Telecomunicações*), by which foreign investments were allowed on the sector, and privatizations started to grow in a greenfield telecommunications market in Brazil. This article is also limited to the ANATEL (*Agência Nacional de Telecomunicações – National Telecommunication Agency*), a regulatory agency dedicated to this segment (Brasil, 1997). In 2017, the Brazilian telecommunication reached €1,146 billion market size, and the OTT¹ segment is responsible for ten percent (Oi, 2017; Anatel, 2017).

Netflix Background

Reed Hastings and Marc Randolph founded Netflix on 29 August 1997, at Los Gatos, California, where the Netflix headquarters is installed. Before the name Netflix, the company was named Kibble Inc. (the name of a pet from one of the founders). One week later, the company was renamed as NetFlix - with a capital 'F' (changed to Netflix in 2002). The Netflix logos' evolution is displayed in the following Figure 2:

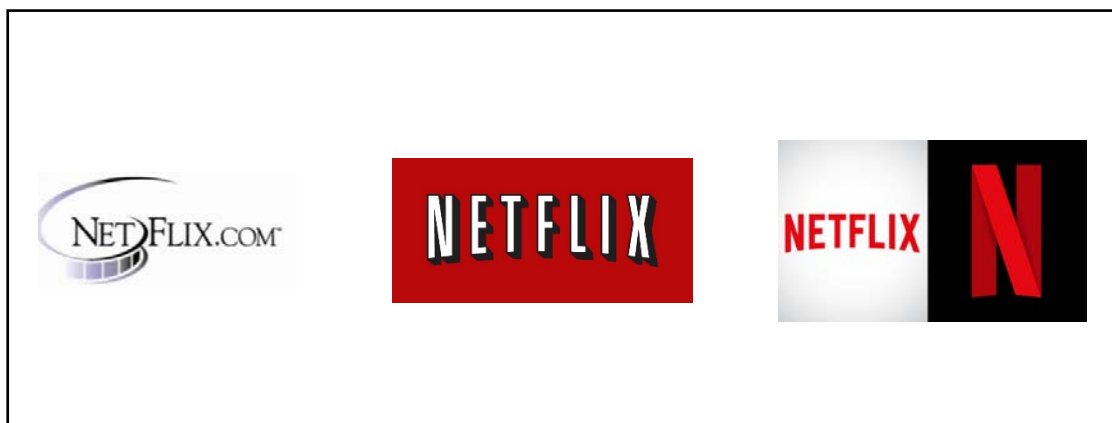


Figure 2: - Netflix's logos (1997-2020). Source: Netflix (2020), Dias & Navarro (2018). Reprinted under permission

Netflix was not the first entrepreneurial experience from Reed Hastings: in 1991, he created Pure Atria, selling it six years later to Rational Software Corporation by \$700 million. It was considered one of the wealthiest Silicon Valley's startup acquisitions (Keating, 2017).

Hastings decided to invest \$2,5 million in a new company, this time Netflix (or Kibble, as aforementioned).

¹The streaming video market is also known as Over-the-Top market (OTT).

