

100 Best-selling cases

2004 Edition

**This bibliography
contains abstracts of the
100 best-selling cases
during 2003.**

**Comprehensive searching of
all case materials available
from the ECCH may be done
by visiting our website at:
www.ecch.cranfield.ac.uk or
www.ecchatbabson.org**



Guide to the case bibliography

This bibliography contains abstracts of the 100 best-selling ECCH cases during 2003. This represents a small sample of the cases distributed by ECCH.

Comprehensive searching may be done in COLIS, our on-line bibliography. A growing number of inspection copies are also available on-line for immediate previewing. Visit our website at www.ecch.cranfield.ac.uk or www.ecchatbabson.org for further details. Alternatively you may fax us your order, using the form on page 25 of this publication.

Register on our website for our monthly e-mail update service to receive full details of new cases.

Case entries

Cases are listed in alphabetical order and each case entry appears with an abstract and other relevant data.

The following is an illustration of a typical entry:

597-028-1
FIRST DIRECT: BRANCHLESS
BANKING

Larreche, J-C
Lovelock, C
Parmenter, D
INSEAD, Fontainebleau

First Direct has become the model of telebanking worldwide, despite similar initiatives undertaken by large international banks. The case describes the history of First Direct and the various components of its operations, especially around the central issue of relationships marketing at a distance. It helps students to understand all the various facets of a modern operation which makes it effective, unique and difficult to imitate. A superficial analysis of this successful new model, or of other ones, leads to fast conclusions and poor imitations. There is a Spanish translation available (E597-028-1). ** ECCH European Case Awards Overall Winner 2000**. This case contains colour exhibits.

United Kingdom; Banking; 1997
Marketing
Direct marketing
Relationship marketing
Services
Banking
Telebanking

32 pp

FIELD

597-028-8 (16pp)

Reference number

Title

Author(s)

Author's institution

Abstract

Setting: location; industry; size; year(s) of case event

Topics

Length in pages

Source of data

Teaching note (length)

E-mail update service

What is the service?

Every month registered users of this service are sent information on new cases received by ECCH during the previous month. The service embraces cases from all sources, and thus is the most comprehensive of its type available worldwide.

How does the information arrive?

At the beginning of each month subscribers receive an e-mail containing a list of titles in their nominated category. Where more than one category has been nominated, an e-mail will be sent for each one. Information, including the abstract, can be viewed by clicking on a case title. There is also the option of downloading a pdf file containing all the details.

What categories are available?

When registering for this service you may nominate one or more of the following categories:

- Economics, Politics and Business Environment
- Entrepreneurship
- Ethics and Social Responsibility
- Finance, Accounting and Control
- Human Resource Management/Organisational Behaviour
- Knowledge, Information and Communication Systems Management
- Marketing
- Production and Operations Management
- Strategy and General Management

How do I register?

Simply complete and submit the on-line registration form at:

<http://www.ecch.cranfield.ac.uk> or www.ecchatbabson.org

100 Best-selling cases

(listed in alphabetical order)

9-796-128

AFRICAN COMMUNICATIONS GROUP

McGahan, A
Coxe, DO

Harvard Business School

Describes the opportunities that confront the African Communications Group, an entrepreneurial organization that plans to introduce a wireless pay-phone system in Tanzania. Provides a foundation for the analysis of value creation and of value capture. The possibility of entry by other companies, the presence of a large supplier, and uncertainties about demand all create important tradeoffs for the new venture. Used in an advanced course in Competition and Strategy to introduce a framework for evaluating a new business based on existing technologies. Principal concepts include value creation and capture, competitor analysis, supplier evaluation, and financial forecasting.

Africa
Competition
Decision analysis
Entrepreneurship
Industry structure
Telecommunications

20 pp

CASE (FIELD)

5-797-029 (29pp)

9-201-028

AIRBUS A3XX: DEVELOPING THE WORLD'S LARGEST COMMERCIAL JET (A)

Esty, BC
Kane, M

Harvard Business School

In July 2000, Airbus Industrie's supervisory board is on the verge of approving a \$13 billion investment for the development of a new super jumbo jet known as the A3XX that would seat from 550 to 1,000 passengers. Having secured approximately 20 orders for the new jet, the board must decide whether there is sufficient long-term demand for the A3XX to justify the investment. At the time, Airbus was predicting that the market for very large aircraft (VLA), those seating more than 500 passengers, would exceed

1,500 aircraft over the next 20 years and would generate sales in excess of \$350 billion. According to Airbus, it needed to sell 250 aircraft to break even, and could sell as many as 750 aircraft over the next 20 years. This case explores the two sets of forecasts, and asks students whether they would proceed with the launch given the size of the investment and the uncertainty in long-term demand. Illustrates the basic economics of large projects and the complexity in estimating even top-line demand for products with useful lives of up to 50 years. Also illustrates the role of governments in large projects, both as investors and as customers. Finally it explores the competitive dynamics between a monopolistic and a potential entrant in which entry costs exceed \$10 billion.

Event start date 2000; Event end date 2000

Aerospace industry
Business government relations
Capital expenditures
Corporate strategy
Demand analysis
Product development
Product positioning
Project finance
Valuation

20 pp

CASE (LIBRARY)

5-201-040 (31pp)

400-003-1

ALICE IN WONDERLAND? A DIFFERENT APPROACH TO ORGANISATIONAL CHANGE

Kets de Vries, M
Gorter Van Gorp, H
Florent-Treacy, E
INSEAD, Fontainebleau

This case shows how the new Managing Director of LVV transformed this trucking company from a 'fossilized' and 'arthritic' minor subsidiary of a Dutch shipping group into a revitalized organisation. The case looks at how her own leadership characteristics, as well as Dutch leadership styles, contributed to the development of an authentizotic culture of trust, affiliation, and meaning for

employees, and how the financial situation of the company was turned around as a result. Emma van Nijmegen is a rare example of a female top executive in a typically male dominated industry (Shipping and Transport). This case aims to show how LVV's remarkable turnaround from a loss making company in 1996 to a very profitable market-focused organisation, was facilitated by van Nijmegen's focus on a change of culture, a change of image and a drive for open communication. Teaching objectives include: (1) provide insight into the dynamics of female leadership and its influence on the corporate culture; (2) an opportunity to discuss the importance of emotional intelligence in leaders; and (3) discussing the ways in which corporate culture is shaped and changed.

The Netherlands; Shipping; 1999
Authentizotic organisations
Dutch leadership style
Female top executive
Corporate culture
Corporate transformation

19 pp

FIELD

400-003-8 (11pp)

9A95C005

ANTAR AUTOMOBILE COMPANY – PART I: THE AUTOMATION PROJECT

Mikalachki, A
McLennan, R

Richard Ivey School of Business

A project manager in the Operational Research Department of an automobile assembly plant must decide how he can most effectively redirect his team to meet management's deadline and design expectations. For five months he had been supervising the work of three young company employees who were developing a simulated assembly line. However, because his current responsibilities left him in charge of four or five projects at a time, all in varying stages of completion, he had left his assistants to work together with very little intervention from him. As a result, he is facing the pressure of an uncompleted project and an unnecessarily elaborate design. (This case

should be used with two supplements
Antar Automobile Company cases, cases
9A95C016 and 9A95C017.)

Group behaviour
Management succession
Management of professionals
Conflict resolution

4 pp

8A95C05 (5pp)

9A95C016

**ANTAR AUTOMOBILE COMPANY –
PART II: TEAM AND INDIVIDUAL
OBJECTIVES**

Mikalachki, A
McLennan, R

Richard Ivey School of Business

A project manager in the Operational Research Department of an automobile assembly plant must decide how he can most effectively redirect his team to meet management's deadline and design expectations. For five months, he had been supervising the work of three young company employees who were developing a simulated assembly line. However, because his current responsibilities left him in charge of four or five projects at a time, all in varying stages of completion, he had left his assistants to work together with very little intervention from him. As a result, he was facing the pressure of an uncompleted project and an unnecessarily elaborate design. (This case should be used with two supplements Antar Automobile Company cases, cases 9A95C005 and 9A95C017.)

Group behaviour
Management succession
Management of professionals
Conflict resolution

2 pp

8A95C05 (5pp)

9A95C017

**ANTAR AUTOMOBILE COMPANY –
PART III: CONFLICTING OBJECTIVES**

Mikalachki, A
McLennan, R

Richard Ivey School of Business

A project manager in the Operational Research Department of an automobile assembly plant has to decide how he can most effectively redirect his team to meet management's deadline and design expectations. For five months he had been supervising the work of three young company employees who were developing a simulated assembly line. However, because his current responsibilities left him in charge of four or five projects at a time, all in varying stages of completion, he had left his assistants to work together with very little intervention from him. As a result, he was facing the pressure of an uncompleted project and an unnecessarily elaborate design. (This case should be used with supplement cases 9A95C005 and 9A95C016.)

Group behaviour
Management succession
Management of professionals
Conflict resolution

1 pp

8A95C05 (5pp)

9-792-081

APPLE COMPUTER – 1992

Yoffie, DB

Harvard Business School

In 1992, Apple received the only profitable standard other than IBM/Microsoft/Intel in the PC industry. The case examines Apple's dilemma of how to retain its profitability as the structure of the industry deteriorates. Apple's CEO poses the critical question: Can Apple shape the PC industry for the 1990s?

**Employees 12,000; \$7 billion revenues;
Event start date 1992; Event end date
1992**

Computer industry
Corporate strategy
Industry analysis
Strategy formulation

22 pp

CASE (FIELD)

5-792-098 (17pp)

9-502-030

**AQUALISA QUARTZ: SIMPLY A
BETTER SHOWER**

Moon, Y
Herman, K

Harvard Business School

Harry Rawlinson is managing director of Aqualisa, a major UK manufacturer of showers. He has just launched the most significant shower innovation in recent history: the Quartz shower. The shower provides significant improvements in terms of quality, cost, and ease of installation. In product testing, the Quartz shower received rave reviews from both consumers and plumbers alike. However, early sales of the Quartz have been disappointing. Rawlinson is now faced with some key decisions about whether to change his channel strategy, promotional strategy, and the overall positioning of the product in the context of his existing product line. Designed to illustrate the challenges associated with bringing a new product to market. Allows for a rich discussion of customer behavior (including end consumers and installers). In addition, allows for a in- depth discussion of the positioning of a new product within the context of an existing product line and the use of multiple brands to manage products across their lifecycle.

**8 million sterling (pounds); Event start
date 2001; Event end date 2001**

Consumer behavior
Consumer marketing
Distribution channels
Market entry

Market positioning
Marketing strategy
Product development
Product introduction
Product positioning
United Kingdom

19 pp

CASE (FIELD)

5-503-058 (23pp)

9-292-140

**ARUNDEL PARTNERS: THE SEQUEL
PROJECT**

Luehrman, TA
Teichner, WA

Harvard Business School

A group of investors is considering buying the sequel rights for a portfolio of feature films. They need to determine how much to offer to pay and how to structure a contract with one or more major US film studios. The case contains cash flow estimates for all major films released in the United States during 1989. These data are used to generate estimates of the value of sequel rights prior to the first film's release. Designed to introduce students to real options and techniques for valuing them. It clearly illustrates the power of option pricing techniques for certain types of capital budgeting problems. Also illustrates the practical limitations of such techniques.

**\$2.1 billion revenues; Event start date
1992; Event end date 1992**

Capital budgeting
Decision trees
Entertainment industry
Option pricing
Real options
Securities analysis
Uncertainty

19 pp

CASE (FIELD)

5-295-118 (14pp)

9-296-027

**ASPEN TECHNOLOGY, INC:
CURRENCY HEDGING REVIEW**

Tufano, P
Poetzscher, C

Harvard Business School

The chief financial officer of a rapidly-growing US-based software firm that sells its process-control software to industrial users around the globe must review the goals, strategies, and policies of the firm's currency hedging program. This review is prompted by changes in the firm's business, notably its acquisition of a United Kingdom subsidiary, other growing overseas expenses, and its recent initial public offering. Intended to allow students to analyze how a small, young firm's business strategy creates currency exposure and a need to manage this exposure. Designed to allow students to

explore the goals and purposes of currency hedging, the measurement of exposures, and appropriate policies to be followed.

Employees 417; \$57 million revenues; Event start date 1995; Event end date 1995

**Foreign exchange
Hedging
Risk assessment
Risk management
Software**

19 pp

CASE (FIELD)

5-298-091 (14pp)

9-396-311

**BAE AUTOMATED SYSTEMS (A):
DENVER INTERNATIONAL AIRPORT
BAGGAGE-HANDLING SYSTEM**

Applegate, LM
Montealegre, R
Nelson, HJ
Knoop, C-I
Harvard Business School

Describes the events surrounding the construction of the BAE baggage-handling system at the Denver International Airport. It looks specifically at project management, including decisions regarding budget, scheduling, and the overall management structure. Also examines the airport's attempt to work with a great number of outside contractors, including BAE, and coordinate them into a productive whole, while under considerable political pressures. Approaches the project from the point of view of BAE's management, which struggles to fulfill its contract, work well with project management and other contractors, and deal with supply, scheduling, and engineering difficulties.

Employees 365; Event start date 1989; Event end date 1994

**Engineering
Management communication
Politics
Project management
Transportation services**

15 pp

CASE (FIELD)

5-399-099 (33pp)

9-591-133

**BARCO PROJECTION SYSTEMS (A):
WORLDWIDE NICHE MARKETING**

Moriarty, RT, Jr
McQuade, K
Harvard Business School

Deals with the issue of niche marketing in a worldwide market. Barco Projection Systems makes video, data, and graphics projectors for the industrial market. They have traditionally been the performance leader. In August 1989, Sony Corp introduced a higher performance graphics

projector at a considerably lower price than Barco's existing projector. As a result, Barco is faced with being preempted in their fastest growing segment by a competitor with much larger resources. Deals with how a small niche player deals with considerably larger competitors in a global environment.

\$50 million revenues; Event start date 1989; Event end date 1990

**Industrial markets
International marketing
Marketing strategy
Product development
Product lines**

19 pp

CASE (FIELD)

5-592-098 (12pp)

9-794-079

**9-673-057
BENIHANA OF TOKYO**

Sasser, WE, Jr
Klug, JR
Harvard Business School

Discusses the development of a chain of "theme" restaurants. The student is asked to evaluate the current operating strategy and suggest a long-term expansion strategy.

Event start date 1972; Event end date 1972

**Corporate strategy
Expansion
Multinational corporations
Restaurants
Services**

17 pp

CASE (FIELD)

5-677-037 (5pp)

9-794-079

**BITTER COMPETITION: THE HOLLAND
SWEETENER CO vs NUTRASWEET (A)**

Brandenburger, A
Costello, M
Kou, J
Harvard Business School

The NutraSweet Co has very successfully marketed aspartame, a low-calorie, high-intensity sweetener, around the world. NutraSweet's position was protected by patents until 1987 in Europe, Canada, and Japan, and until the end of 1992 in the United States. The case series describes the competition that ensued between NutraSweet and the Holland Sweetener Co (HSC) following HSC's entry into the aspartame market in 1987. Subsequent move and countermove in both the marketplace and the courts are described. Ends with the final countdown to the expiration of NutraSweet's US patent. Provides an opportunity to study a game in business that takes place at two levels: There is the surface game of tactics. And

there is also the underlying game of value. At the tactical level, there are various points at which NutraSweet or HSC made a move with a view to shaping the perceptions of the other player. Turning to the underlying game of value, there are the actions that NutraSweet took during the period of patent protection. These actions served to maintain NutraSweet's added value in the post-patent game, and to deny added value to challengers.

\$2 billion revenues; Event start date 1965; Event end date 1992

**Beverages
Competition
Food
Patents
Strategy formulation**

14 pp

CASE (FIELD)

5-795-164 (28pp)

497-013-1

**BRITISH PETROLEUM:
TRANSFORMATIONAL LEADERSHIP IN
A TRANSNATIONAL ORGANISATION**

Kets de Vries, M
Florent, E
INSEAD, Fontainebleau

The case looks at the difference in Robert Horton's and David Simon's leadership styles in the context of the upheaval of the oil industry in the past 25 years, and the roles the two leaders played in the transformation process at BP. It examines the reasons why, although the two men's goals were nearly identical, their individual style determined failure for one, and success for the other. The case addresses issues of transformation and national and corporate cultures in a transnational organisation. The teaching objectives include: (1) addressing the concepts of triggers of change and barriers to change; (2) exploring the dynamics of the individual and organisational transformation processes; (3) analysing the role of the CEO and chairman in the transformation process; (4) emphasising the importance of a 'global mind-set' and cultural relativity in transnational organisations; and (5) discussing the ways in which corporate culture is shaped and changed, and the corporate culture and values of 'vanguard' companies like BP. A video 'British Petroleum: Transforming the Corporate Mind-set' (497-013-3) accompanied by a transcript, a supplement 'Transforming the Corporate Mind-set at British Petroleum: An Interview with Sir David Simon and John Browne' (497-013-4) and transparencies 'British Petroleum: Transformational Leadership in a Transnational Organisation' (497-013-7) are available to accompany this case. **ECCH European Case Awards Category Winner 2000**.

**Worldwide; Oil; 60,000 employees;
1990-1997**

Corporate transformation
Corporate change
Corporate culture
Leadership styles
Executive role constellation
'Teddy bear' effect
National culture
Emotional intelligence

14 pp

LIBRARY

497-013-8 (21pp)

**9-592-035
CALYX & COROLLA**

Salmon, WJ
 Wylie, D

Harvard Business School

Describes a new entry into the \$8 billion flower industry in the United States. Combining the use of overnight air freight (Federal Express), information technology, an 800 number, and a catalog, Calyx & Corolla was changing the way flowers had traditionally been distributed, bypassing three layers of distribution, and providing very fresh flowers directly from the growers to consumers. Frames the question of how this start-up venture should grow.

**Employees 30; \$10 million revenues;
 Event start date 1991; Event end date 1991**

Agribusiness
Distribution planning
Information systems
Information technology
Retailing

31 pp

CASE (FIELD)

5-596-116 (10pp)

**9-296-049
CASE OF THE UNIDENTIFIED
INDUSTRIES – 1995**

Fruhan, WE, Jr
Harvard Business School

Helps students to understand how the characteristics of a business are reflected in its financial statements. Predict the 11 firms/industries that are represented by 11 sets of financial/statements.

Event start date 1995; Event end date 1995

Financial management
Financial ratios

2 pp

CASE (LIBRARY)

5-297-049 (7pp)

**9-495-031
CHARLOTTE BEERS AT OGILVY &
MATHER WORLDWIDE (A)**

Ibarra, H
 Sackley, N

Harvard Business School Case

Examines Beer's actions on assuming leadership of Ogilvy & Mather Worldwide, the world's sixth largest advertising agency, during a period of rapid industry change and organizational crisis. Focuses on how Beers, the first outsider CEO, engages and leads a senior team through a vision formulation process. Chronicles closely the debates among senior executives struggling to reconcile creative, strategic, and global vs local priorities. Sixteen months later, with a vision statement agreed upon, Beers faces a series of implementation problems. Turnaround has begun, but organizational structures and systems are not yet aligned with the firm's new direction. Concludes as Beers must decide how to work best with her senior team to achieve alignment in 1994.

**Employees 7,000; \$750 million
 revenues; Event start date 1992; Event
 end date 1993**

Advertising
Leadership
Multinational corporations
Organizational change

18 pp

CASE (FIELD)

5-495-033 (16pp)

**9-495-032
CHARLOTTE BEERS AT OGILVY &
MATHER WORLDWIDE (B)**

Ibarra, H
 Sackley, N

Harvard Business School Case

Updates CEO Beers' progress two years after her initiation of a massive organizational change effort. Designed as an in-class handout.

Advertising
Leadership
Multinational corporations
Organizational change

2 pp

SUPPLEMENT (FIELD)

5-495-033 (16pp)

**9-301-099
CISCO SYSTEMS ARCHITECTURE: ERP
AND WEB-ENABLED IT**

Nolan, RL
 Porter, K
 Akers, C

Harvard Business School

Describes the seven-year process of Cisco building its strategic I-Net. First Cisco completely replaced its back-office legacy systems beginning in 1994. At that time,

the company standardized on Internet protocols. In addition, the company shifted strategic focus from IT back-office applications to front-office applications. After ERP, the company spent the next two years electronically connecting with customers. The teaching purpose is to understand the process of building a strategic I-Net in the network era. A rewritten version of two earlier cases. A consolidated version of the Cisco Systems ERP and Cisco Systems Web-enablement cases. Designed to be taught in one class session (if two class sessions are available, it is recommended that Cisco ERP Systems be used for one session followed by Cisco Systems Web-enablement).

Event start date 2000; Event end date 2001

California Research Center
ERP
Information technology
Silicon Valley
Technological change
World wide web

23 pp

CASE (FIELD)

5-301-143 (15pp)

**9-595-026
CITIBANK: LAUNCHING THE CREDIT
CARD IN ASIA PACIFIC (A)**

Rangan, VK
Harvard Business School

Consumer Bank pondered the possibilities of launching a credit card in the Asia Pacific region. The bank's New York headquarters, and several of its country managers in the region, were not enthusiastic. But others were supportive because of the opportunity to expand the bank's customer base from the limited branch expansion allowed by local law. Students make a decision, and if a 'go' decision is made, they work out a comprehensive launch plan. The teaching purpose is to expose students to services marketing and, more importantly, the notion of acquisition cost and lifetime value of a customer. Also introduces students to international marketing issues.

\$200 million revenues; Event start date 1989; Event end date 1989

Asia
Consumer credit
International marketing
Marketing strategy
Pricing
Product introduction
Product positioning
Service management

25 pp

CASE (FIELD)

5-595-104 (14pp)

9-198-048
CITIBANK: PERFORMANCE
EVALUATION

Simons, RL
 Davila, A
Harvard Business School

Citibank has introduced a new, comprehensive performance-scorecard system. A regional president struggles with a tough decision: how to evaluate an outstanding branch manager who has scored poorly on an important customer satisfaction measure. This case provides a scoring sheet to be completed by the reader and an explanation of the ramifications of the decision for the business's strategy.

Event start date 1996; Event end date 1996

Banking
Control systems
Incentives
Performance appraisal
Performance measurement
Strategy implementation

9 pp

CASE (FIELD)

5-199-047 (13pp)

397-111-1
COOLEY DISTILLERY PLC: A NEW
'SPIRIT' IN THE WORLD WHISKEY
INDUSTRY

O'Gorman, C
University College Dublin

The challenge facing Cooley Distillery is how best to enter the world whiskey market. The market for whiskey is dominated by a small number of very large and resourced international companies. The case documents the start-up of Cooley Distillery, an independent Irish whiskey distillery, by two Irish entrepreneurs. Prior to Cooley Distillery the production and sale of Irish whiskey had been monopolised by one Irish company. The case allows students to evaluate an industry and to comment on the appropriateness and attractiveness of a number of strategic alternatives facing a new entrant. The industry is a highly concentrated one and has its high barriers to entry. Students should identify market opportunities in the industry, identify the current resources and competencies of a under-resourced new entrant and identify a realistic market strategy for the new business. **ECCH Irish Case Writing Competition Category Winner 1997**

Ireland; Drinks industry;
Small/medium; 1987-1997

Industry analysis
New venture start-up
Barriers to entry
Market evaluation
Key success factors

19 pp

FIELD

397-111-8 (10pp)

9-580-104
CUMBERLAND METAL INDUSTRIES:
ENGINEERED PRODUCTS DIVISION –
1980

Shapiro, BP
 Sherman, JJ
Harvard Business School

Cumberland Metal Industries has developed a new product to help contractors drive piles faster. They are trying to decide how to price it. Provides substantial information on the industry, competition, etc. Students must decide what factors are relevant in making an industrial pricing decision. Decisions must also be made about promotion and distribution channels. Software for this case is available (9-589-528).

\$18 million sales; Event start date 1980;
Event end date 1980

Competition
Construction
Distribution channels
Industrial goods
Industrial markets
Market entry
New product marketing
Pricing strategy

16 pp

CASE (FIELD)

5-585-115 (12pp)

9-493-064
DAVID FLETCHER

Hill, LA
 Conrad, MB
Harvard Business School

David Fletcher, manager of the Emerging Growth Fund at a New York investment management firm, decides to assemble a team of analysts to which he can delegate part of his workload. The case explores the challenges of being a producing manager and Fletcher's efforts to select and manage a team of professionals.

Event start date 1993; Event end date 1993

Financial management
Group behavior
Group dynamics
Investment management
Management of professionals
Organizational behavior
Portfolio management
Power and influence

17 pp

CASE (FIELD)

5-494-117 (19pp)

9-598-116
DELL ONLINE

Rangan, VK
 Bell, M
Harvard Business School

Dell started online commerce for its PCs in 1996, and by 1997 had achieved a sales rate of \$3 million a day. The case describes

the internal process that led to these dramatic results and poses the question of how the firm should leverage this activity to meet Michael Dell's goal of achieving 50% of the company's anticipated \$20 billion in sales by the year 2000 via Internet channels. The teaching purpose is to understand the buying behavior and transaction economics underlying Internet commerce and study its implications for channel evolution.

\$7.7 billion revenues; Event start date 1996; Event end date 1997

Computer industry
Distribution channels
Electronic commerce
Internet
Personal computers

27 pp

CASE (FIELD)

5-598-146 (8pp)

9-696-084
DEUTSCHE
ALLGEMEINVERSICHERUNG

Upton, D
Harvard Business School

Describes the application of statistical process control in a service industry. In this case, Annette Kluck must decide how to adopt manufacturing-based principles to a service process ranging from customer account setup to legal services. Teaches statistical process control (p-charts) as well as service industry quality improvement.

Employees 2,000; DM 48 billion
revenues; Event start date 1996; Event
end date 1996

Germany
Implementation
Insurance
Process analysis
Quality control
Service management
Statistical analysis

12 pp

CASE (FIELD)

5-697-090 (16pp)

9-295-059
DIVIDEND POLICY AT FPL GROUP, INC
(A)

Esty, BC
 Schreiber, CF
Harvard Business School

A Wall Street analyst has just learned that FPL (the holding company for Florida's largest electric utility) may cut its dividend in several days despite a 47-year streak of consecutive dividend increases. In response to the deregulation of the electric utility industry, FPL has substantially revised its competitive strategy over the past several years. The analyst must decide whether a change in dividend policy will be a part of FPL's financial strategy in this deregulated environment. Allows students to examine

how firms set and change dividend policy. Also provides a background for examining why firms pay dividends and whether dividend policy matters.

Employees 12,400; \$5.3 billion revenues; Event start date 1994; Event end date 1994

**Corporate strategy
Deregulation
Dividends
Electric power
Financial strategy
Securities analysis**

17 pp

CASE (LIBRARY)

5-296-072 (21pp)

IMD-3-0873

EASYJET: THE WEB'S FAVOURITE AIRLINE

Kumar, N
Rogers, B

IMD, Lausanne

Stelios Haji-Ioannou, the 32-year-old CEO and founder of easyJet airlines, achieved profitability for the first time in 1999, almost 4 years after launching his London-based low cost carrier. The concept behind easyJet was 'to offer low cost airline service to the masses', and the airline accomplished this by adopting an efficiency-driven operating model, creating brand awareness, and maintaining high levels of customer satisfaction. A key issue in the case is whether the airline will continue to grow and survive in the highly competitive low cost segment of the market. In 2000, Stelios was anxious to try his hand at launching other businesses, so he started a chain of Internet cafes. Some questioned whether Stelios would be able to successfully transfer his low cost business model to Internet cafes. Undeterred, Stelios moved ahead with his plan to create easyEverything, with the belief that he could make a profit by encouraging customers to surf the Internet, send e-mail and shop on-line. This case contains colour exhibits. An abridged version of this case is available 'IMD-3-0873'. A video is available to accompany this case (IMD-3-0873-V). Instructors should note that 'easyJet' is the first case in a series that includes 'easyEverything: The Internet Shop' (IMD-3-0874) and 'www.easyrentacar.com' (IMD-3-0875). **ECCH European Case Awards Winner 2001 and ECCH European Case Awards Overall Winner 2002**. This case was previously numbered 300-036-1.

Europe; Airline; 1,000 employees, US\$125 million turnover; 1999

**Marketing strategy
Industry analysis
Service management**

22 pp

FIELD

IMD-3-0873-T(19pp)

UVA-F-1126

FIDELITY MAGELLAN FUND, 1995

Bruner RF

Darden Business School, University of Virginia

This case reviews the financial performance of the Fidelity Magellan Fund up to mid-1995. In essence, the Magellan Fund has managed to 'beat the market' over time under three different fund managers despite its enormous size (\$51 billion at the date of the case). The tasks for the student are to assess the adequacy of this performance, evaluate its likely sources, and opine on its sustainability. The case affords the opportunity to consider the appropriateness of various possible benchmarks in a risk-return framework, and to assess the reasonableness of the efficient-markets hypothesis. The case has been used in an introductory-finance course to present general information about equity markets and the behavior of large, sophisticated money managers.

1995

**Market efficiency
Portfolio management
Return on investment
Risk analysis
Securities**

17 pp

LIBRARY

UVA-F-1126TN (10pp)

9-200-005

FINANCING THE MOZAL PROJECT

Esty, BC
Qureshi, FA

Harvard Business School

Opens in June 1997 with a team from the International Finance Corp. (IFC) recommending that the board approve a \$120 million investment in a \$1.4 billion aluminum smelter in Mozambique known as the Mozal project. Four factors make the investment controversial: it would be the IFC's largest investment in the world; total investment was almost the size of Mozambique's gross domestic project (GDP); Mozambique had only recently emerged from 20 years of civil war; and several key contractual issues were still undecided. Because commercial bankers have refused to finance the deal unless the IFC is involved, the sponsors have requested IFC participation. Whether the IFC's board will agree that it is the right time and the right place to make such a large investment remains to be seen. Designed for people with an interest in capital investments in emerging markets. Presents an extreme example of political risk in a developing country and shows how project sponsors attempt to mitigate the risks through project selection, structuring, and insurance. Next, it highlights the contributions of multilateral development institutions in general, and the IFC in particular, in financing

infrastructure projects. In particular, it analyzes IFC's involvement in appraising, structuring, monitoring, and financing infrastructure projects, and shows how these activities create value by resolving costly market imperfections including information, distress, agency, and transaction costs. Also explores the IFC's performance in each of its roles.

Employees 900; \$500 million revenues; Event start date 1997; Event end date 1997

**Africa
Aluminum
Capital investments
Developing countries
Emerging markets
Metals
Political risk
Project finance**

20 pp

CASE (FIELD)

5-200-025 (34pp)

597-028-1

FIRST DIRECT: BRANCHLESS BANKING

Larreche, J-C
Lovelock, C
Parmenter, D

INSEAD, Fontainebleau

First Direct has become the model of telebanking worldwide, despite similar initiatives undertaken by large international banks. The case describes the history of First Direct and the various components of its operations, especially around the central issue of relationships marketing at a distance. It helps students to understand all the various facets of a modern operation which makes it effective, unique and difficult to imitate. A superficial analysis of this successful new model, or of other ones, leads to fast conclusions and pole imitations. There is a Spanish translation available (E597-028-1). ** ECCH European Case Awards Overall Winner 2000**. This case contains colour exhibits.

United Kingdom; Banking; 1997

**Marketing
Direct marketing
Relationship marketing
Services
Banking
Telebanking**

32 pp

FIELD

597-028-8 (16pp)

302-016-1

FLYING INTO A STORM: BRITISH AIRWAYS (1996-2000)

Manzoni, J-F
Barsoux, J-L

INSEAD, Fontainebleau

This case considers the transition at the head of British Airways from Lord Marshall, key architect of BA's spectacular restructuring and revitalisation in the 1980s, to his chosen successor Robert Ayling. In an increasingly deregulated market, Ayling's challenge is to sustain BA's position of leadership in the airline industry. He pursues an ambitious strategic alliance, a massive cost cutting drive and initiates a controversial change of corporate identity. Although the stock market initially approves of most of his strategy, he runs into trouble on the industrial relations front. A cabin crew strike in the summer 1997 hits employee morale and triggers a sustained dive in the airline's share price. For all Ayling's efforts over the following three years, he does not manage to redress the slump and his eventual removal does not come as much of a surprise. What is surprising is the insistence by BA's chairman that Ayling had set the right strategy, but was the wrong person to implement it. The case explores what went wrong. This is a very rich case that can be tackled from several angles. On the leadership succession side it illustrates the difficulties of making one's mark when taking over a highly successful company, especially coming after a very respected leader. On the leadership style angle, the case highlights the various roles of the leader – as strategist, architect and mobiliser – and the difficulties of building or rebuilding credibility and trust. It also raises questions on why leaders often become more abrasive as time passes and how much their style is shaped by their initial background and leadership experiences. The case can be used to examine how to bring about radical change, particularly when the company is doing well at the outset and staff's sense of urgency is correspondingly low. It also illustrates the importance of fair process in radical change efforts. Last but not least the case raises questions on the causes and consequences of 'company culture'. As CEO Marshall had created a culture of employee and customer care that was widely admired even beyond the airline sector. That culture seemed to go away fairly quickly as service levels dropped and employees felt no longer cared for. What happened? The case can be used as a stand alone case, or following a discussion of the case 'Becoming the World's Favourite Airline: British Airways 1980-93' (398-080-1) (which covers the King-Marshall years). Note: The first 18 months of Ayling's tenure (and hence of the period covered in this case) were discussed in the case 'Remaining the World's Favourite Airline: British Airways 1993-97' (398-081-1). That case was focused mainly on leadership succession and fair process. This new case builds on this initial period and covers the next three years, culminating in the removal of Robert Ayling. These additional three years were very eventful and result in a much richer set of teaching issues. If you want to centre the discussion on fair process, we

recommend using the 'Remaining the World's Favourite Airline' case. This present case will support a broader discussion.

United Kingdom; Airline; Over 60,000 employees; 1996-2000

**Leadership
Succession
Radical change
Corporate renewal
Implementing a new strategy
Fair process
Corporate culture
Customer service
Industrial relations
Cost cutting
Service sector**

27 pp

LIBRARY

302-016-8 (37pp)

**599-038-1
FORD KA (A): BREAKING NEW
GROUND IN THE SMALL CAR MARKET**

Christen, M
Soberman, D
Cothier, G
INSEAD, Fontainebleau

This is the first of a two-case series (599-038-1 and 599-039-1). In response to the changes in the European small car market, Ford decided to launch a second small car, the Ford Ka. The Ford Ka has already been developed, the production capacity determined, and the launch set for October 1996 in France. Before Gilles Moynier can get to the specifics of the marketing strategy, he must decide who the target customer for the Ford Ka should be. The (B) case reveals that Ford chose an attitudinal segmentation and presents initial sales results. The change in the segmentation approach made it difficult to assess the success of the launch and to determine what needed to be done next to continue to build the brand. The Ford Ka case introduces students to the fundamental marketing problem of market segmentation and target selection. Ford's situation does not fit the 'textbook' model exactly and thus, the case is an opportunity for students to see how theory is applied in the real world. Ford's problem is not unique. Often firms want to introduce an existing product to a new market. At a more detailed level, the case can be used to highlight the difference between segment formation and segment identification and the importance of considering implementation issues of a marketing strategy. The case also exposes students to typical market research tools used for market segmentation. This case contains colour exhibits.

France; Automobile; Sales FF18 billion (1995); 1996-1997

**Segmentation
Segment identification
Target selection**

**Product introduction in new markets
Internal marketing**

33 pp

FIELD

599-038-8 (17pp)

**9-800-385
FOUR SEASONS HOTELS AND RESORTS**

Hallowell, R
Harvard Business School

Four Seasons has a love/hate relationship with technology, including the best web site in the industry. This case examines how a leading service delivers high tech/high touch, including its progressive human resource strategy. Presents a contingent view on the use of technology for a service organization striving to be high tech/high touch.

Employees 2,000

**Canada
Hotels and motels
Human resources management
Internet
Service management
Services
Technology**

26 pp

CASE (FIELD)

5-801-048 (13pp)

**9-399-150
GE's TWO-DECADE
TRANSFORMATION: JACK WELCH'S
LEADERSHIP**

Bartlett, CA
Wozny, M
Harvard Business School Case

GE is faced with Welch's impending retirement and the question on many minds is whether anyone can sustain the blistering pace of change and growth characteristic of the Welch era. After briefly describing GE's heritage and Welch's transformation of the company's business portfolio of the 1980s, the case chronicles Welch's revitalization initiatives through the late 1980s and 1990s. It focuses on six of Welch's major change programs: The 'Software' Initiatives, Globalization, Redefining Leadership, Stretch Objectives, Service Business Development, and Six Sigma Quality. Can be used to develop multiple lessons, including corporate strategy development, transformational change, management and leadership, and corporate renewal.

Employees 293,000; \$100 billion revenues; Event start date 1981; Event end date 1998

**Business policy
Conglomerates
Corporate culture**

Corporate strategy
Executives
Leadership
Management of change
Organizational change
Organizational development
Strategy implementation

24 pp

CASE (LIBRARY)

5-300-019 (16pp)

9-594-106
GOODYEAR: THE AQUATRED LAUNCH

Quelch, JA
 Isaacson, B

Harvard Business School

After many years of R&D, Goodyear has developed the Aquatred, an innovative new tire. However, the tire industry has matured and evolved, raising questions concerning the Aquatred's ability to gain support from Goodyear's independent tire dealers. Students must use information on channel evolution and consumer behavior to make two decisions: whether to launch the Aquatred and whether to expand Goodyear's distribution network. Also explores issues involved in managing a complex distribution structure during a time of rapid change.

Employees 105,000; \$10.9 billion revenues; Event start date 1992; Event end date 1992

Distribution channels
Distribution planning
Marketing implementation
Marketing management
Marketing strategy
New product marketing
Tire industry

23 pp

CASE (FIELD)

5-595-016 (14pp)

298-014-1
GROUPE SCHNEIDER: ECONOMIC VALUE ADDED AND THE MEASUREMENT OF FINANCIAL PERFORMANCE

Young, D

INSEAD, Fontainebleau

Groupe Schneider is a world leader in electrical distribution, industrial engineering equipment, and industrial control and automation. In order to promote a stronger value creating culture, Schneider implemented a performance measurement system based on Economic Value Added. The case explores the difficulties of implementing value-based metrics in large multi-national companies, and the use of Economic Value Added in management compensation. This case is a vehicle exploring Economic Value Added. The issues raised include the importance of value creation, the cost of capital, calculating Economic Value Added,

management compensation, and other issues related to implementing Economic Value Added as a divisional performance measure. A technical note 'Management Compensation and Economic Value Added' (298-027-6) is available as a supplement to the case. **ECCH European Case Awards Category Winner 2000**

France, worldwide; Electrical distribution, industrial engineering, control and automation; 63,000 employees in 130 countries; 1997

Economic Value Added
Performance measurement
Economic profit
Management compensation
Value based management

25 pp

298-014-8 (26pp)

9-396-212
HARVEY GOLUB: RECHARGING AMERICAN EXPRESS

Garvin, DA
 March, A

Harvard Business School

Describes the large-scale change process initiated and led by Harvey Golub as CEO of American Express. Describes the organization he inherited, two successive waves of reengineering, his 'principles-driven' approach to decision making, and his goal of converting American Express from a diversified financial supermarket to one unified operating company. Introduces students to many of the basic principles in leading transformational change, explores the requirements for effective reengineering, and examines a leadership approach based on values and a few core principles. Also shows how a CEO can move a large entrenched organization in new directions.

Employees 70,000; \$14 billion revenues; Event start date 1980; Event end date 1990

Business policy
Financial services
Leadership
Management of change
Reengineering

23 pp

CASE (FIELD)

5-396-334 (18pp)

9-501-010
HILTON HHONORS WORLDWIDE: LOYALTY WARS

Deighton, J
 Shoemaker, S

Harvard Business School

Hilton Hotels regards the frequent guest program as the industry's most important marketing tool, directing marketing efforts at the heavy user. What is Hilton to do then, when a competitor ups the ante? This case illustrates the economics of

frequency marketing in industries with a very distinct 'heavy half' to their customer base, and lets students debate what to do when Sheraton and Westin seemingly overdo a good thing. Economics of loyalty marketing.

\$1 billion revenues; Event start date 1999; Event end date 1999

Customer relations
Customer retention
Hotels and motels

18 pp

CASE (FIELD)

5-501-059 (14pp)

9-384-049
HONDA (A)

Christiansen, ET
 Pascale, RT

Harvard Business School

Describes the history of Honda Motor Company from its beginning through its entry into and subsequent dominance of the US market. The history is explained primarily in terms of strategic factors and quoted from two sources: an earlier case and Boston Consulting Group report on the motorcycle industry. Should be used with Honda (B).

Event start date 1948; Event end date 1974

Business policy
Competition
Corporate strategy
Japan
Learning curves
Motorcycles

9 pp

CASE (PUB MAT)

5-386-034 (7pp)

9-384-050
HONDA (B)

Christiansen, ET
 Pascale, RT

Harvard Business School

Describes the history of Honda Motor Company from its beginning through its entry into and subsequent dominance of the US market as seen through the eyes of Honda executives. The history of Honda's successful entry into the US market is viewed as highly adaptive and fraught with error and serendipity. Honda (A) and (B) are designed to be used together to contrast two differing views of major events in a company's history, both of which are important for a general manager to understand.

Event start date 1948; Event end date 1974

Business policy
Corporate strategy
Japan

**Management of change
Management styles
Motorcycles**

9 pp

CASE (FIELD)

5-386-034 (7pp)

**9A98N001
HUANENG POWER INTERNATIONAL
INC: RAISING CAPITAL IN GLOBAL
MARKETS**

Karolyi, GA
Foerster, SR
White, J

Richard Ivey School of Business

Huaneng Power International (HPI), an independent power producer in the People's Republic of China (PRC), is in the process of executing a global equity issue to raise funds for the construction of new power plants. The company is planning to list the new shares through an American Depositary Receipt program on the New York Stock Exchange. The company has recently reduced the price of the issue due to poor market conditions and investor resistance to the price range stated in the preliminary prospectus. HPI's management must decide whether the new offer price and choice of listing exchange is reasonable in light of recent market events and the political, economic, social and technological environment in the PRC.

**Finance
International finance
Initial public offerings
Valuation**

26 pp

8A98N01 (20pp)

**398-173-1
IKEA: CULTURE AS COMPETITIVE
ADVANTAGE**

Grol, P
Schoch, C
Roger, M

CPA, Paris Chamber of Commerce

As companies in an increasing number of industries enter the global marketplace they must adapt not only to different market conditions but also to different cultural demands. IKEA, the only world scale furniture distributor, has succeeded in doing both without sacrificing its unique culture and way of doing business. Its thirty-year saga of international expansion has been driven by the inspirational, almost missionary, zeal of its founder Ingvar Kamprad. This case explores IKEA's successful international development through the lens of both corporate and national culture where, as a Swedish company, it may benefit from cultural 'competitive advantage'. It begins with an analysis of how IKEA approached the culturally diversified West European markets, and then describes how the

company avoided near disaster in the United States, 'the graveyard of European distributors'. Background is provided for reflecting on IKEA's immediate future, which includes a major succession issue, and growing pressure for change. Should IKEA diversify its organisational culture and management as it increases its investment in North America, Eastern Europe and Asia? Should it decentralise decision making to better match its products to local markets, or should it pursue its global product lines to maintain economy of scale and unique brand recognition? The authors let the reader decide how best to leverage IKEA's core-competencies in facing these challenges. A technical note 'Managing Cultural Diversity: Change Across Borders' (398-173-6) is available to accompany the case. **1998 EFMD European Case Writing Competition Category Winner** **ECCH European Case Awards Category Winner 2003**

Europe, USA; Furniture retailing; 33,400 employees in 28 countries; 1996

**Business development
Global environment
Organisational culture
National culture
Managing cultural diversity in a
global organisation**

40 pp

FIELD

398-173-8 (9pp)

**594-038-1
INTEL INSIDE**

Weinstein, D
INSEAD, Fontainebleau

Intel founded its highly visible 'Intel Inside' campaign. Some computer OGMs have enthusiastically adopted the Intel Inside label and others are reticent. Should the campaign continue? If yes, how? Should it have been authorised in the first place? Teaching objectives: Assessment of brand equity; Identification of channel conflict; Building market power via differentiation.

World; Computers; Intel; 1992
**Branding
Brand equity
Communication
Advertising
Positioning
Differentiation
Micro computers
Channel conflict**

21 pp

FIELD

**9-197-076
INTRODUCTION TO ACTIVITY-BASED
COSTING**

Kaplan, RS
Harvard Business School

Introduces the fundamental notions of activity-based costing (ABC). Motivates ABC by means of a simple example, a single and a diversified pen factory. Proceeds to show how ABC assigns costs more accurately to products and customers by: 1) identifying the activities being performed by organizational resources; 2) assigning resource costs to the activities; 3) identifying all the products, services, and customers of the organization; and 4) assigning activity costs to these outputs via activity cost drivers. Also covers activity attributes, such as the cost hierarchy, value and non-value added, and business processes, as well as different types of activity cost drivers: transaction, duration, and intensity. Closes with the admonition to balance the benefits from more accurate cost estimates with the cost of developing an appropriate activity-based cost system.

**Activity based costing
Cost accounting
Management accounting**

14 pp

NOTE

**199-001-1
JD HALL AND SONS LIMITED CASE A**

Williamson, TC
Manchester Metropolitan University

This is the first of a two-case series (199-001-1 and 199-002-1). This case examines the circumstances surrounding a serious downturn in the trading performance of a medium-sized family owned, painting and contracting business. Cash flow problems and a breakdown in trust between the company and its bankers threaten its future. The task is to evaluate the financial position of the company to assess the likelihood of the bank being willing to provide sufficient funds to enable its survival. The objectives of this case are to: (1) develop awareness of the nature of a business engaged in contracting activity and of the implications that impact on its financial performance and reporting thereof; (2) introduce and exercise tools and concepts of financial statement analysis (including financial ratios analysis, working capital and cash-flow statement appraisal); (3) introduce and exercise tools and concepts of corporate credit appraisal (including the 5-C's of credit appraisal and security evaluation); and (4) provoke thought about the financial and non-financial factors that impact upon the quality of a bank-client relationship. This case was written with the support of a Philip Law Scholarship awarded by ECCH.

England; Commercial painting and contracting; £8 million turnover, 180 employees; 1992-1995

**Financial management
Corporate strategy
Financial statement analysis
Corporate credit appraisal
Banking
Medium-sized firm**

11 pp

LIBRARY

199-001-8 (10pp)

**199-002-1
JD HALL AND SONS LIMITED CASE B**

Williamson, TC
Manchester Metropolitan University

This is the second of a two-case series (199-001-1 and 199-002-1). This case describes the events over a six-month period to June 1995 following an emergency meeting at which a deterioration in the trading and financial position of the company has been addressed. The Board of Directors face the prospect of the company being placed in receivership unless they can restore bank confidence in their ability to halt the firm's decline. Further setbacks arise. Two reports are commissioned to investigate the firms' prospects of survival, but conflicting opinions are received. The task for the Board is to decide upon an action plan to safeguard the company's future. Can it survive, or is receivership inevitable? The teaching objectives of this case are to: (1) present an opportunity for students to consider alternative courses of action to secure the company's future; (2) explain the differences between a Company Voluntary Arrangement (CVA) and receivership; (3) provide an insight into the motivation of bankers in preferring receivership to a CVA; (4) provoke debate about professional ethics; (5) raise awareness of bank society evaluations in a receivership situation; and (6) encourage students to consider reasons for the company's failure. This case was written with the support of a Philip Law Scholarship awarded by ECCH.

England; Commercial painting and contracting; £8 million turnover, 180 employees; 1992-1995

**Financial management
Corporate strategy
Financial statement analysis
Corporate credit appraisal
Banking
Medium-sized firm
Business ethics**

4 pp

LIBRARY

199-002-8 (5pp)

**9-596-036
LAND ROVER NORTH AMERICA, INC**

Fournier, S
Harvard Business School

Charles Hughes, President and CEO of Land Rover North America, Inc, is debating product positioning options for the new Land Rover Discovery. The positioning decision must consider the role of the Discovery vis-à-vis other vehicles in the LRNA line, the brand's strengths and weaknesses versus competition, and the positioning of the Land Rover umbrella brand in the UK. An allocation of marketing funds across brands and mix elements must also be determined and decisions on the company's innovative retailing strategy and experience marketing initiatives made. The case contains rich consumer behavior data. The teaching purpose is to: (1) demonstrates the process of turning consumer research data into sound brand and line positioning recommendations; (2) exposes students to concepts of brand personality and brand equity and shows how these shape and contain management decisions; (3) explores difficulties of managing brand equity on global basis. Includes color exhibits.

Employees 80; Event start date 1994; Event end date 1994

**Advertising
Automobiles
Brands
Market research
Marketing mixes
Product management
Product positioning**

32 pp

FIELD

5-597-043 (20pp)

**9-798-063
LEADERSHIP ONLINE: BARNES & NOBLE vs AMAZON.COM (A)**

Ghemawat, P
Baird, B
Harvard Business School Case

Describes the attempt of a traditional retailer, Barnes & Noble, to counter the challenges posed by an Internet-based start-up, Amazon.com.

Employees 20,000; \$2 billion revenues; Event start date 1996; Event end date 1997

**Competition
Electronic commerce
Internet
Publishing industry
Retailing**

21 pp

CASE (LIBRARY)

5-798-119 (15pp)

**501-011-1
L'ORÉAL (A): FIGHTING THE SHAMPOO BATTLE**

Franch, J
Quintana, N
ESADE, Barcelona as part of the Community of European Management Schools (CEMS)

This is the first of a two-case series (501-011-1 and 501-012-1). This case study discusses how L'Oréal decided to become a leader in the European shampoo market, a market that only a few years earlier had not been a company priority because competition was very much based on price and margins were too narrow. Elseve was L'Oréal's shampoo brand leader in the French market and the challenge for the company was to make it a leader throughout Europe. The immediate issue of this case is to discuss the definition of strategic priorities in the international marketing of Elseve, one of the L'Oréal brands, while providing a global view of the European market. This case study is suitable for use very early in a course on International Marketing or Global Marketing, possibly in the second or third class, when dealing with the issue of international competitive marketing strategies. A video 'L'Oréal: A True Partnership' (501-011-3) is available to accompany the case series. This version contains colour exhibits. There is a multimedia version of this case series that can be used instead of the paper version '501-011-0'. **EFMD Case Writing Competition 2001 Category Winner**.

**Strategic vision
Competitive position
Strategic priorities
Global marketing vs multi-domestic marketing
Pan-European marketing
Entry strategies
Product and brand management**

25 pp

FIELD

501-011-8 (21pp)

**496-005-1
LOUIS ROBERT (B): THE DEAL**

Leleux, B
Muzyka, DF
Rossell, G
INSEAD, Fontainebleau

This is the second of a two-case series (496-004-1 and 496-005-1). Louis Robert, a recent MBA graduate from INSEAD with extensive consulting experience but limited financial resources, is analysing the leveraged acquisition of a chain of furniture stores in Northern France. The case focuses on deal analysis and structuring to take full advantage of taxes and also highlights negotiation strategies. There is a Spanish translation available (E496-005-1).

France; Furniture retailing; 15 employees, \$10 million; 1993

**Structure
Financing
Holding
Leverage
Entrepreneurship**

17 pp

FIELD

496-005-8 (14pp)

301-040-1**LUFTHANSA 2000: MAINTAINING THE CHANGE MOMENTUM**

Ghoshal, S
Bruch, H

London Business School

In 1991 Lufthansa was almost bankrupt. Eight years later, at the general business meeting on the 16 June 1999 Jurgen Weber (CEO) announced record results in Lufthansa's history that spanned more than 70 years. In eight years, the company had gone from the brink of bankruptcy to becoming one of the world's leading airline companies, a founding member of the STAR ALLIANCE – the airline industry's most comprehensive network – aspiring to become the leading aviation group in the world. Lufthansa had undergone some radical changes that reversed a record loss of DM 730 million in 1992 to a record pre-tax profit of DM 2.5 billion in 1998 (an increase of 42% compared to 1997 when the pre-tax profit was DM 1.75 billion). Revenues increased by 4.8%, from DM 21.6 billion in 1997, to DM 22.7 billion in 1998. The Seat Load Factor (SLF – proportion of seats filled) reached 73%, a record performance in Lufthansa's history (1.5 percentage points increase compared to 1997 and 9 percentage points increase compared to 1991). After the first step of the turnaround it was apparent that transformation had just begun and that a much more fundamental change had to follow to assure the company's future. The Lufthansa Executive Board (Vorstand) and the Supervisory Board (Aufsichtsrat) decided to follow a concept of sustaining renewal (redevelopment) at 3 levels; operational, structural, and strategic. In 1999, none of these processes were fully completed. In fact, sustaining the change process was seen as the key management challenge. A video '301-040-3' is available to accompany this case. There is a Spanish translation available 'E301-040-1'. **EFMD European Case Writing Competition 2000 Category Winner**.

33 pp

FIELD

301-040-8 (18pp)

602-010-1**MARKS AND SPENCER AND ZARA: PROCESS COMPETITION IN THE TEXTILE APPAREL INDUSTRY**

Pich, M
Van der Heyden, L
Harlé, N

INSEAD, France-Singapore

This case was written to illustrate the importance of business process design as a basis for competition in the textile industry. The case illustrates the impressive performance of Zara, the new fashion player from Spain, which has innovated in process design so as to deliver new collections in its stores with a lead-time of 5 to 7 days. The more traditional approach in textile retailing is illustrated here by Marks & Spencer (M&S), the well-known UK retailer. Notwithstanding M&S's current problems, the case does not fall into an overly simple comparison between a young, innovative competitor and an ageing glory. The authors have taught this case both in executive education and in the MBA core class on process and operations management. There are four important concepts that we typically stress, more or less, depending on pedagogical objectives: (1) newsvendor losses in the textile industry; (2) the role of postponement in final design; (3) the 'lean enterprise' aspect of Zara; and (4) process competition and innovation, embedded in technology evolution. There is a Spanish translation available (E602-010-1). **ECCH European Case Awards Category Winner 2003**.

UK, international; Retail, textile apparel; Large; 1998-2001

**Process competition
Operations management
Supply chain
Retail apparel
Delayed customisation
Time-based competition
Newsboy model
Innovation**

17 pp

LIBRARY

602-010-8 (37pp)

602-010-9 (s/w)

9-799-158**MATCHING DELL**

Rivkin, JW
Porter, ME

Harvard Business School Case

After years of success with its vaunted 'Direct Model' for computer manufacturing, marketing, and distribution, Dell Computer Corp. faces efforts by competitors to match its strategy. This case describes the evolution of the personal computer industry, Dell's strategy, and efforts by Compaq, IBM, Hewlett-Packard, and Gateway 2000 to capture the benefits of Dell's approach. Students are called on to formulate strategic plans of action for Dell and its

various rivals. Designed to be taught in any of several places in an MBA course on competitive strategy. Permits an especially detailed examination of imitation; illustrates how fit among activities and incompatibilities between competitive positions can pose particularly high barriers to imitation. Can also be employed to illustrate competitor analysis, the evolution of industry structure, and relative cost analysis.

\$19 billion revenues; Event start date 1998; Event end date 1998

**Competition
Computer industry
Cost analysis
Industry structure
Personal computers
Strategic planning**

31 pp

CASE (LIBRARY)

5-700-084 (24pp)

9-496-024**MAUREEN FRYE AT QUAKER STEEL AND ALLOY CORP**

Gabarro, JJ

Harvard Business School

Maureen Frye, assistant product manager at Quaker Steel and Alloy Corp, is asked to implement an action plan for changing the call pattern of the salesforce. Currently the salesforce is spending too much time on small accounts. Earlier Frye attempted to change their call patterns without success. Now with the express call mandate of top management she has to present a plan that will work.

Event start date 1995; Event end date 1995

**Action planning
Corporate culture
Implementation
Metals
Middle management
Sales management
Sales organization**

12 pp

CASE (LIBRARY)

9-396-357**MCKINSEY & CO: MANAGING KNOWLEDGE AND LEARNING**

Bartlett, CA

Harvard Business School

Describes the development of McKinsey & Co as a worldwide management consulting firm from 1926 to 1996. In particular, it focuses on the way in which McKinsey has developed structures, systems, processes, and practices to help it develop, transfer, and supply knowledge among its 3,800 consultants in 69 offices worldwide. Concludes by focusing on three young consultants operating in each dimension of the firm's organization – the local office, the industry practice, and the

firm's competence center. MD Rajat Gupta wonders if the changes he has made are sufficient to maintain the firm's vital knowledge development process. Can be used in general management, service management, or international management courses to focus on the GM's role in making knowledge and expertise a source of competitive advantage.

Employees 6,000; \$1.8 billion revenues; Event start date 1996; Event end date 1996

**Business policy
Consulting
Innovation
Knowledge transfer
Management of professionals
Multinational corporations
Organization**

20 pp

CASE (FIELD)

5-398-065 (16pp)

9-491-005

MERCK & CO, INC (A)

Murphy, KJ
Harvard Business School

Merck & Co, Inc, a major pharmaceutical company, is in the process of reviewing and evaluating its personnel policies and practices. Employee interviews revealed that rewards for excellent performance were not adequate: outstanding performers received salary increases that were, in many cases, only marginally better than those given to average performers. In many cases, outstanding performance was not even clearly identified. The objective is to have students wrestle with a common malady of performance appraisal systems: the tendency of managers to assign uniform ratings to employees regardless of performance. Alternative appraisal systems should be suggested and discussed.

Employees 35,000; \$6 billion sales; Event start date 1986; Event end date 1989

**Employee compensation
Performance appraisal
Performance effectiveness
Performance measurement
Personnel management
Personnel policies
Pharmaceuticals**

6 pp

CASE (FIELD)

5-491-008 (11pp)

196-017-1

MERTON ELECTRONICS CORPORATION

Remmers, HL
INSEAD, Fontainebleau

In February 1996, Merton Electronics was reviewing its currency risk position. Its principal foreign suppliers were Japanese and fluctuations of the dollar/yen exchange rate during the past 2-3 years seemed to have had a serious impact on costs and earnings. This case raises many of the typical issues facing exporters, importers and others active in international trade. The case also gives students exposure to understanding foreign exchange, futures and options market information appearing in the financial press. Finally, the question of whether or not currency movements can be forecast is brought up. **ECCH European Case Awards Winner 1998**.

USA; Electronics distribution; Small/medium; 1996

13 pp

GEN EXP

196-017-8 (18pp)

302-079-1

MICHELIN AND THE GLOBAL TYRE INDUSTRY IN 1999

Cool, K
Gee, F
INSEAD-CEDEP, Fontainebleau

The case chronicles the history of the tyre industry up until 1999, focusing on globalisation, economics and segmentation. The moment in the case is just after Edouard Michelin takes over from his father, immediately announcing layoffs. The case focuses on Michelin's strategy. The case is quite comprehensive, allowing a discussion of industry globalisation and restructuring, competitors responses, and how to compete in a global, mature industry.

**Global; Tyre manufacturing; 2000
Industry restructuring
Globalisation
Supply chain analysis
Vertical integration
Multi-point competition
Industry over-capacity
Mature industry
Family-run business**

38 pp

LIBRARY

9-300-001

MICROSOFT: COMPETING ON TALENT (A)

Bartlett, CA
Wozny, M
Harvard Business School

Describes the evolution of Microsoft's human resource philosophies, policies, and practices and how they were used as a core of the company's competitive advantage. In particular, the case focuses on how Microsoft has tried to retain its ability to recruit, develop, motivate, and retain first class talent as it grew from a start-up to a global behemoth. Triggered by

high-profile, senior-level departures in 1999, the company must decide if it is time to change the 'hard core' culture that many feel is at the core of its competitiveness. The teaching purpose is to show how human resource policies and practices can become a source of competitive advantage – and the impact of a hard-charging corporate culture on people burnout.

Employees 31,000; \$20 billion revenues; Event start date 1975; Event end date 1999

**Corporate culture
Employee retention
Growth management
Human resources management
Motivation
Organizational behavior
Software
Strategy implementation**

28 pp

CASE (FIELD)

5-302-010 (13pp)

9-301-135

MICROSOFT: COMPETING ON TALENT (B)

Bartlett, CA
Glinska, M
Harvard Business School

Supplements the (A) case.

**Corporate culture
Employee retention
Growth management
Human resources management
Motivation
Organizational behavior
Software
Strategy implementation**

2 pp

SUPPLEMENT (LIBRARY)

5-302-010 (13pp)

9-100-027

MICROSOFT'S FINANCIAL REPORTING STRATEGY

Matsumoto, D
Bowen, R
Harvard Business School

Explores Microsoft's overall financial reporting strategy by examining the company's treatment of two accounting issues – software capitalization and revenue recognition. For both issues, the company selects accounting methods that are relatively conservative. Also discusses the issue of managing analysts' expectations and Microsoft's tendency to provide analysts with very conservative expectations for the future. Provides a forum to discuss possible reasons for Microsoft's accounting and disclosure

choices and also discusses the Securities and Exchange Commission's recent investigation into Microsoft's accounting practices.

Employees 27,000; \$15 billion revenues; Event start date 1996; Event end date 1999

**Accounting policies
Disclosure
Financial accounting
Financial analysis
Software industry**

12 pp

CASE (LIBRARY)

5-100-068 (15pp)

IMD-3-0423

NESTLÉ-ROWNTREE (A)

Hyde, DG
Ellert, JC
Killing, JP
IMD, Lausanne

Nestlé SA is the world's largest food company; its acquisitions of Rowntree plc in 1988 was, at 2.5 billion GB Sterling, the largest-ever foreign takeover of a British company. This case is the first in a three-part case series positioned before, during, and after the acquisition of Rowntree by Nestlé, and gives an 'inside look' at a major acquisition. This case (A) includes a note on the world chocolate industry, and ends at the point when Nestlé must decide whether to launch a hostile bid for Rowntree. The case is written from Nestlé's point of view, and provides the opportunity to consider the benefit of various acquisition possibilities in the industry. The case also raises questions as to why Rowntree became a takeover target, and on Nestlé's historical policy of not making hostile takeovers. This case is part of a series which includes (B) (IMD-3-0424) and (C) (IMD-3-0425) cases. **ECCH Award Winning Case 1992 and 1997**. **EFMD Case Writing Award Winner 1990**. This case was previously numbered 391-021-1.

Europe, Global; Chocolate confectionery; S Fr 35 billion sales; 1988 Mergers and acquisitions (strategy, pricing, tactics) Industry analysis Company analysis

32 pp

FIELD

IMD-3-0423-T (18pp)

9-598-061

NOTE ON MARKETING STRATEGY

Dolan, RJ
Harvard Business School

Describes the major elements of marketing strategy: the decisions to be made and the underlying analysis to support that decision making.

**Decision making
Marketing strategy**

17 pp

NOTE

**395-113-1
NOVOTEL**

Baden-Fuller, C
Hunt, B
City University Business School, London
Calori, R
Groupe ESC Lyon, France

The Novotel case study describes the Retours vers le Future (Back to the Future) change programme. This initiative is both radical and innovative and has changed structure, systems and processes. The programme is changing work behaviours and thereby changing the ways in which NOVOTEL units are run and the way in which NOVOTEL competes. The teaching notes focus students' attention on a number of features. These include the timeliness, speed and scope of the change initiative; the radical and innovative nature of management's response to the threat; the top-down programme which allowed bottom-up consultative processes; the fact that changes were made simultaneously in 200 hotels throughout Europe.

Europe; Hotel, hospitality; 250 hotels (approx); 1991-93/4 Rejuvenation Radical corporate change Strategic momentum

33 pp

FIELD

395-113-8 (23pp)

**9-575-072
OPTICAL DISTORTION, INC (A)**

Clarke, DG
Wise, RE
Harvard Business School

A new product, contact lenses for chickens, is to be introduced by a small firm formed to market the product. An entry strategy must be planned including price, sales force, size, and location. Allows data for computation of economic benefit to farmers. Includes state-by-state chicken population data for planning a rollout sales program. Software for this case is available (9-588-539).

Event start date 1974; Event end date 1974

**Agriculture
Entrepreneurship
Marketing strategy
Pricing strategy
Product introduction
Sales promotions**

10 pp

CASE (FIELD)

5-577-161 (12pp)

**589-030-1
PHILIP MORRIS KK**

Turpin, D
IMD, Lausanne

The marketing manager of Philip Morris KK (PMKK) must decide how his company should react after learning that competitor RJ Reynolds plans to introduce a Yen 200 cigarette in Japan, attacking PMKK's position in the lower end of the Japanese market. A Spanish translation is available 'IMD-5-0358-ES'.

Japan; Food and tobacco; 1987 Pricing Competition Market positioning

27 pp

FIELD

589-030-8 (7pp)

**IMD-5-0593
PRICELINE (A)**

Kumar, N
Low, C
IMD, Lausanne

This is the first of a two-case series (IMD-5-0593 and IMD-5-0594). After pioneering a 'name-your-price' on-line commerce service model in 1998, Priceline sold record numbers of air tickets. In 1999, it extended this service model to the on-line sale groceries, planning to capitalise on its newly acquired Internet brand recognition. This case was previously numbered 501-042-1.

USA; Travel; Sales US\$1,235 billion, 359 employees; 1999 Internet Pricing

4 pp

LIBRARY

**IMD-5-0594
PRICELINE (B)**

Kumar, N
Low, C
IMD, Lausanne

This is the second of a two-case series (IMD-5-0593 and IMD-5-0594). This (B) case is an update, revealing key events from October 2000 to March 2001. It begins with the shutdown of Priceline's on-line groceries business and ends with the company's 98% decline in share price from its 52-week high in March 2001. This case was previously numbered 501-043-1.

USA; Travel; Sales US\$1,235 billion, 359 employees; 2001 Internet Pricing

2 pp

LIBRARY

**295-024-1
PRINCE SA: VALUATION OF A CROSS-BORDER JOINT VENTURE**

Hawawini, G
Viallet, C
INSEAD-EAC, Fontainebleau

This case deals with the issue of a joint venture between a UK-based multinational textile company and a Tunisian owner-manager firm. The objective of the joint venture is to upgrade the current facilities of the Tunisian firm in order to produce garments to be distributed by the UK firm. The teaching objectives are to spell out the differences in the valuation of domestic and international investments, look at the condition under which the cost of capital of an international investment may differ from the cost of capital of an identical project in an identical setting, and to evaluate a relevant cost of capital and expected multi-currency cash flows.

Tunisia, UK; Textiles; 1985

**Joint venture
International
Finance
Valuation
Cost of capital**

19 pp

FIELD

295-024-8(23pp)

**OSA1
RED BRAND CANNERS**

Wilson, RB
Stanford University

Presents a simple example of a production planning problem amenable to analysis using linear programming.

Event start date 1965; Event end date 1965

**Food processing industry
Linear programming
Production planning**

5 pp

CASE (GEN EXP)

OSA1T (5pp)

**301-050-1
RENAULT AND NISSAN – A MARRIAGE OF REASON**

Lasserre, P
Flament, A-C
Fujimura, S
Nilles, P
INSEAD-EAC, Singapore

In 1999 Renault acquired 36.8% of Nissan, the Japanese troubled car manufacturer. This case describes the successful integration process that leads to the recovery of Nissan. Teaching objectives include: (1) strategic alliances and acquisitions; (2) the rationale for global alliances; and (3) integrating acquisitions.

Japan; Automotive; \$121 billion; 1999-2000

**Strategic alliances
Acquisitions
Integrating acquisitions
Asian business
Japan
Global strategies**

22 pp

LIBRARY

301-050-8 (15pp)

**9-587-055
ROHM AND HAAS (A): NEW PRODUCT MARKETING STRATEGY**

Rangan, VK
Lasley, S
Harvard Business School

Joan Macey, Rohm and Haas' market manager for Metalworking Fluid Biocides, found that sales of a new biocide, Kathon MWX, was utterly disappointing. This was all the more puzzling since sales of her other product – Kathon 886 MW, a liquid biocide used only in large-capacity tanks – was well on target and held a steady 30% market share. In May 1984, about five months after the new product was launched, Joan Macey was reviewing her entire marketing strategy with a view to bringing Kathon MWX sales closer to target. Of particular concern to her were the distribution and communication strategies used for the new product.

\$2 billion revenues; Event start date 1984; Event end date 1984

**Chemicals
Distribution channels
Marketing strategy
New product marketing**

15 pp

CASE (FIELD)

5-587-129 (12pp)

**399-122-1
RYANAIR – THE LOW FARES AIRLINE**

O'Higgins, E
University College Dublin

Ryanair is the first budget airline in Europe, modelled after the successful USA carrier, Southwest Airlines. The case incorporates a history and description of Ryanair and its principle characters, Ryanair's operation and challenges as a budget airline, and a portrayal, for comparison, of Ryanair's role model Southwest Airlines. The latter part of the case consists of a description of Ryanair's strategy, having analysed the competitive arena in which Ryanair operates and the company's own particular mix of resources and operations. This entails an assessment of the sustainability of Ryanair's strategy, especially as it compares to its own chosen role model, Southwest Airlines. Having developed an understanding of Ryanair's situation, students should be able to develop future

moves for the company. A video (399-122-3) and transparencies (399-122-7) are available to accompany the case. There is a Spanish translation available 'E399-122-1'. **ECCH Irish Case Writing Competition Category Winner 1999 and 1999 EFMD European Case Writing Competition Category Winner**. The supplementary teaching note was written by Hugh Macmillan and Mahen Tampoe.

Europe; Airline

**Strategic analysis
Industry analysis
Resources and capabilities
Sustainable competitive advantage
Business strategy
European airline industry**

30 pp

LIBRARY

399-122-8 (18pp)
399-122-9 (12pp)

**9A94M004
SABENA BELGIAN WORLD AIRLINES: WEYJTJENS' FIRST ASSIGNMENT**

Crossan, MM
Pierce, B
Richard Ivey School of Business

The case provides an update on the events subsequent to the (A) case, 9A94M003. It outlines the strategic changes implemented by Pierre Godfroid, Sabena's CEO, and introduces Erik Weytjens, a recent graduate of an MBA program. This case outlines Weytjens' first assignment to solve a major logistics problem in the dishwashing department. The case, along with the follow-on series of cases provides the opportunity to: (1) make decisions and take action under realistic constraints of limited information, time and credibility; and (2) reflect on how the pattern of actions supports or undermines strategy.

**Business policy
Management of change
International business
Policy formulation and implementation**

8 pp

8A94M03 (20pp)

**9-500-053
SECURITY CAPITAL PACIFIC TRUST: A CASE FOR BRANDING**

Fournier, S
Thorp, S
Harvard Business School

Concerns a real estate operations and investment trust that is considering whether it should pursue branding as a strategic investment. Through interpretation of case data and video from focus groups, students deduce the consumer (cognitive, psychological, and economic), environmental, and company factors that are conducive to branding, thereby illuminating their understanding of when it makes sense to brand. Analysis of

extensive survey data allows students to consider the secondary question about how to brand as they formulate brand positioning recommendations. The teaching purpose is to teach students how to evaluate the question 'To brand or not to brand'. Extensive data regarding search, evaluation, and choice of a high-involvement durable good makes this case suitable for a class on consumer decision-making processes. Includes color exhibits.

Employees 1,200; \$300 million revenues; Event start date 1996; Event end date 1997

**Brand management
Marketing management
Real estate
Real estate investment
Service management**

30 pp

FIELD

**9-683-068
SHOULDICE HOSPITAL LIMITED**

Heskett, JL

Harvard Business School Case

Various proposals are set forth for expanding the capacity of the hospital. In assessing them, serious consideration has to be given to the culture of the organization and the importance of preserving it in a service delivery system. In addition to issues of capacity and organizational analysis, describes a well-focused, well-managed medical service facility that may well point the way to future economies in the field.

Event start date 1982; Event end date 1982

**Canada
Capacity planning
Expansion
Hospital administration
Organizational behavior
Services
Social enterprise**

18 pp

CASE (FIELD)

5-686-120 (16pp)

**9-599-126
SNAPPLE**

Deighton, J

Harvard Business School

Tells the story of Snapple's rise and fall, and poses the question 'Can it recover?' Many soft-drink brands flourished in the 1980s serving New York's Yuppies, but only Snapple made the big time. It went from local to national success and was poised to go international when the founders sold out to Quaker. The brand proved harder to manage than Quaker anticipated and in 1997 was sold for a fraction of its acquisition price. The case presents factors accounting for the growth and decline and provides a qualitative

study of the brand. What action should the new owners take?

Employees 500; \$500 million revenues; Event start date 1972; Event end date 1997

**Beverages
Brands
Distribution
Entrepreneurship
Market positioning
Marketing management
Strategic market planning**

17 pp

CASE (FIELD)

5-500-033 (8pp)

**9-694-023
SOUTHWEST AIRLINES – 1993 (A)**

Heskett, JL
Hallowell, R

Harvard Business School

Southwest Airlines, the only major US airline to be profitable in 1992, makes a decision as to which of two new cities to open, or to add a new long-haul route. Provides windows into Southwest's strategy, operations, marketing, and culture. Illustrates how an airline can simultaneously be low cost leader, service leader, and profit leader.

Event start date 1993; Event end date 1993

**Airlines
Corporate strategy
Operations research
Service management**

29 pp

CASE (FIELD)

**HR1A
SOUTHWEST AIRLINES: USING
HUMAN RESOURCES FOR
COMPETITIVE ADVANTAGE (A)**

O'Reilly, CA, III
Pfeffer, J

Stanford University

In 1994 both United Airlines and Continental Airlines launched low cost airlines-within-an-airline to compete with Southwest Airlines. From 1991 until 1993 Southwest had increased its market share of the critical West Coast market from 26% to 45%. This case considers how Southwest had developed a sustainable competitive advantage and emphasizes the role of human resources as a lever for the successful implementation of strategy. Asks whether competitors can successfully imitate the Southwest approach.

Employees 12,000; \$2.2 billion revenues; Event start date 1994; Event end date 1994

**Airlines
Corporate strategy
Human resources management**

**Organizational behavior
Strategy implementation**

24 pp

CASE (FIELD)

HR1T (3pp)

**9A98M006
STARBUCKS**

Crossan, MM
Kachra, A

Richard Ivey School of Business

Starbucks is faced with the issue of how it should leverage its core competencies against various opportunities for growth, including introducing its coffee in McDonalds, pursuing further expansion of its retail operations, and leveraging the brand into other product areas. The case is written so that students need to first identify where Starbucks competencies lie along the value chain, and assess how well those competencies can be leveraged across the various alternatives. It also provides an opportunity for students to assess what is driving growth in this company. Starbucks has a tremendous appetite for cash since all its stores are corporate, and investors are betting that it will be able to continue its phenomenal growth so it needs to walk a fine line between leveraging its brand to achieve growth while not eroding it in the process. It is an exciting case that quickly captures the attention of students given the subject matter.

**Competitiveness
Growth strategy
Core competence
Industry analysis**

28 pp

8A98M06 (13pp)

**9-595-057
THE BLACK & DECKER CORP (A):
POWER TOOLS DIVISION**

Dolan, RJ

Harvard Business School

Presents Black & Decker's performance against a Japanese competitor and others in the power tools market. Black & Decker is anxious to regain its market share leadership in particular segments of the market. Allows exploration of issues of brand equity, product positioning, and competitive strategy in the context of international competition.

\$4 billion revenues; Event start date 1990; Event end date 1990

**Brands
Competition
International marketing
Marketing strategy
Product introduction
Tools**

13 pp

CASE (FIELD)

5-598-106 (22pp)

9-195-196
THE CO-OPERATIVE BANK

Kaplan, RS
Datar, S
Harvard Business School

A British bank with strong roots in the cooperative movement encounters declining profitability in an increasingly competitive and deregulated financial services industry. It attempts to grow by broadening its customer base and increasing the range of products and services offered. It turns to activity-based costing as part of its reengineering effort to learn more about the process and product costs and customer profitability, and contemplates what actions to take based on this new information.

L300 million deposits; Event start date 1993; Event end date 1993

Activity based costing
Banking
Cost accounting
Cost analysis
Cost systems
Management accounting
United Kingdom

17 pp

CASE (FIELD)

5-198-078 (5pp)

301-056-1
THE FORMULA ONE CONSTRUCTORS – COMBINED

Jenkins, M
Nottingham University Business School

This is a revised and combined version of the Formula One Constructors case series (399-001-1 to 399-004-1 and 303-094-1). This case is used to address the issues of achieving competitive advantage in a highly competitive, technological and international context. The introduction outlines the competitive nature of Formula One and the fact that this is an industry of sophisticated multi-million pound organisations competing at the highest international level. The case then focuses on a constructor who achieved sustained competitive advantage in a particular period. The case is used to illustrate a number of principles relating to the resource based view of strategy, such as defining sources of competitive advantage; the problems of imitation and appropriation of key resources; and the idiosyncratic and path-dependent nature of sources of advantage.

Global; Motorsport; Large; 1950-2003
Sustained competitive advantage
Resource based view
Core competence
Distinctive capabilities
Strategy

17 pp

FIELD

399-001-8 (8pp)

400-002-1
THE HOUSE THAT BRANSON BUILT: VIRGIN'S ENTRY INTO THE NEW MILLENNIUM

Kets de Vries, M
Dick, R
INSEAD, Fontainebleau

This case provides an opportunity to explore the person-organisation interface. From a developmental point of view, it examines the making of an entrepreneur. The case also allows for an exploration of the vicissitudes of leadership. It looks at effective leadership in the context of a high performance organisation, and finally, incites discussion about planning for the future of an entrepreneurial organisation, in particular the use of brand to enter new, unrelated markets. The case focuses on leadership in a creative, entrepreneurial organisation. Virgin has made many brilliant moves and weathered spectacular setbacks. The case offers insight into these and other management issues that have come to the fore in Virgin's history. Among them are: (1) the transition from entrepreneurial to more conventional, 'systematic' management; (2) the formulation of strategy for, and the management of, rapid growth around stretching of a brand, particularly expansion into unrelated areas and expansion overseas; (3) the management of strategic alliances; (4) the development of a corporate culture centered around youth and informality; (5) a preference for promotion of insiders who 'fit' rather than outside candidates; (6) the management of creativity; and (7) the transition from a private enterprise to a public company and back again to private.

Great Britain; Entertainment, airline; Large; 1968-2000

Richard Branson
Virgin
Entrepreneurs
Leadership
Brand management
Venture capital firm

33 pp

FIELD

400-002-8 (22pp)

302-033-1
THE TRANSFORMATION OF BP

Ghoshal, S
Gratton, L
Rogan, M
London Business School

In 1992, BP was facing an acute crisis that had led to the removal of its CEO, Bob Horton. Over the next ten years the company has undergone a complete metamorphosis. From being a relatively minor player, through a series of mergers and acquisitions it had emerged in 2001 as one of the three oil supermajors, triggering a fundamental change in the structure of

its industry. Financially, it had achieved the highest returns on capital employed of all major oil companies and was earning profits in excess of a billion dollars every month. This case describes how this remarkable transformation was achieved through fundamental changes in the company's organisational structure, management processes and leadership philosophy. The case ends with a description of the challenges being faced by the company at the end of 2001, and management's responses to those challenges. A video '302-033-3' is available to accompany the case.

Global; Oil and gas; \$120 billion sales, 100,000 employees; 2001

Managing change
Organisation design
Leadership
Social responsibility of businesses

28 pp

FIELD

303-073-1
THE WORLD AIRLINE INDUSTRY – A EUROPEAN PERSPECTIVE

Paul, H
Hartmann, J
University of Applied Sciences, Mainz

The airline industry is struggling again. After adjusting for September 11, the ensuing Iraq war, SARS and the worldwide economic recession have forced many flag carriers to initiate a second round of capacity and cost reductions. At the same time low cost airlines are attracting more passengers and reporting record earnings. Most signs suggest that the current industry slump could be worse than previous ones and that the industry emerging at the end of it will be significantly different. The case briefly reviews industry development during the past two decades. The basic business models of flag carriers and European low cost carriers are analysed in detail. This provokes interesting discussions about how to establish and maintain competitive advantages and strategies for key players in their segments. The case can be used to discuss environmental and industry analysis, business models of flag carriers and low cost airlines and, especially, the competitive advantages and strategies of flag carriers and low cost airlines.

Primarily Europe; Airline
Airline industry
Competition advantage and strategy
Low cost airlines
No frills
Flag carriers
Cyclicality
Operational gearing
Networks

**Hub and spoke
Environmental analysis
Industry analysis
Business model
Value chain**

15 pp

LIBRARY

303-073-8 (9pp)

**9-501-038
TIVO**

Wathieu, L
Zoglio, M

Harvard Business School

TiVo is a digital video recorder that allows viewers to watch what they want, when they want to watch it. Fourteen months into the launch, sales are very disappointing. Brodie Keast, VP of marketing and sales, wants to combine a catchy communications campaign, product bundling with satellite television receivers, aggressive pricing, and sales support, in order to boost demand for the new category. One important goal is to position TiVo as a strong brand before the entry of big player Microsoft. TiVo is confronted with the difficulty of selling a new and complex electronics product that is meant to change consumer habits radically. Moreover, the impact of TiVo on the television and advertising industries is ambiguous, and TiVo needs to demonstrate that it can play a constructive role in the future media landscape. Launching a radically new product; changing consumer habits, privacy, consumer control, and permission-based advertising; relevance of targeting early adopters; creative communications strategy for a small first-mover; integrated marketing plan; and television and the advertising industry.

**Employees 181; \$200,000 revenues;
Event start date 2000; Event end date 2000**

**Advertising
Broadcasting industry
Consumer behavior
Marketing planning
New product marketing**

16 pp

CASE (FIELD)

5-501-057 (11pp)

**9-693-019
TOYOTA MOTOR MANUFACTURING,
USA, INC**

Mishina, K

Harvard Business School Case

On May 1, 1992, Doug Friesen, manager of assembly for Toyota's Georgetown, Kentucky, plant, faces a problem with the seats installed in the plant's sole product – Camrys. A growing number of cars are sitting off-line with defective seats or are missing them entirely. This situation is one

of several causes of recent overtime, yet neither the reason for the problem nor a solution to it is readily apparent. As the plant is an exemplar of Toyota's famed production system (TPS), Friesen is determined that, if possible, the situation will be resolved using TPS principles and tools. Students are asked to suggest what action(s) Friesen should take and to analyze whether Georgetown's current handling of the seat problem fits within the TPS philosophy. The teaching purpose is to: (1) provide comprehensive knowledge on Toyota Production System; (2) exercise advanced root cause analysis; and (3) Demonstrate the totality of manufacturing, especially the link between production control and quality control.

**Employees 4,000; \$1-5 billion revenues;
Event start date 1992; Event end date 1992**

**Automobiles
International operations
Process analysis
Production controls
Quality control
Suppliers**

22 pp

CASE (FIELD)

5-693-046 (25pp)

**597-008-1
UNITED COLORS OF BENETTON**

Pinson, C
Tibrewala, V
Gee, F

INSEAD-CEDEP, Fontainebleau

The case covers all major aspects of Benetton's successful corporate strategy and innovative business system from its creation till the present. It also provides a complete overview of Benetton's unique communication philosophy and the controversy generated by it, along with a wealth of independent market research data for many countries. The case allows an analysis of the building of a global business and brand through an innovative business system integrating unorthodox approaches to production, retailing and communication held together by a strong, entrepreneurial corporate culture. This case contains colour exhibits. **ECCH European Case Awards Winner 1999**.

Worldwide; Clothing, fashion; Large international; 1966-1996

**Advertising
Communication
Retailing
Entrepreneurship
Fashion industry
Network organisation
Globalisation
Ethics
Business and society
Innovation**

44 pp

597-008-8 (35pp)

597-008-9 (s/w)

**9-384-185
VALUATION TECHNIQUES**

Stevenson, HH
Roberts, MJ

Harvard Business School

Describes several approaches to valuation of a going concern: assets, earnings, and cash flow.

**Entrepreneurship
Valuation**

8 pp

NOTE

**595-023-1
VIRGIN ATLANTIC AIRWAYS: TEN
YEARS AFTER**

Larreche, J-C
Denoyelle, P

INSEAD, Fontainebleau

The Virgin Atlantic Airways (VAA) case was written on the occasion of the company's tenth anniversary. In 10 years, VAA has brought many innovations to the airline industry and won many awards for its service. It has fought against giants on an international scale and has survived the airline industry's most difficult years. The case describes the history of the firm, its achievements, and its practices especially in terms of operations, human resources and marketing. The main purpose of the case is to discuss the concept of customer value delivery and to understand the mechanisms by which VAA can profitably offer its customers high service quality at a low price. Other possible pedagogical objectives are positioning, innovation, service, quality and public relations. The case is best suited for courses on Marketing Management or Services Management. There is a French translation available (F595-023-1). This case contains colour exhibits. **ECCH European Case of the Year 1996**.

UK, international; Airlines; 1994

**Marketing
Services
Value
Delivery
Entrepreneurship
Public relations
Leadership
Pricing**

37 pp

FIELD

595-023-8 (29pp)

**9-794-024
WAL-MART STORES, INC**

Bradley, SP
Ghemawat, P
Foley, S

Harvard Business School

Focuses on the evolution of Wal-Mart's remarkably successful discount operations and describes the company's more recent

attempts to diversify into other businesses. The company has entered the warehouse club industry with its Sam's Clubs and the grocery business with its Supercenters, a combination supermarket and discount store. Wal-Mart experienced a drop in the value of its stock price in early 1993, which it still has not made up.

Explores the issue of sustaining competitive advantage. Wal-Mart has advantages over its competitors in areas such as distribution, information technology, and merchandising, to name a few. How sustainable are these, and what are the threats to Wal-Mart's continued success?

Employees 440,000; \$68 billion revenues; Event start date 1994; Event end date 1994

**Competition
Discount department stores
Industry structure
Retailing
Strategy formulation
Strategy implementation**

22 pp

CASE (LIBRARY)

5-395-225 (7pp)

9-192-066

WHELAN PHARMACEUTICALS: TAX FACTORS AND GLOBAL SITE SELECTION

Wilson, GP

Katz, JP

Harvard Business School

Whelan Pharmaceuticals, a US company with \$3 billion in sales, must decide where to manufacture its newest product. In considering possible sites, both foreign and US, the firm must identify and make trade-offs between tax, marketing, and manufacturing factors.

\$3 billion revenues; Event start date 1991; Event end date 1991

**International business
International operations
Location of industry
Pharmaceuticals
Taxation**

13 pp

CASE (GEN EXP)

5-192-080 (15pp)

9-202-017

WHIRLPOOL EUROPE

Ruback, RS

Balachandran, S

Sesia, A

Harvard Business School

Presents a capital budgeting problem. Whirlpool Europe is evaluating an investment in an enterprise resource

planning (ERP) system that would reorganize the information flow throughout the company. Students derive the cash flows from working capital, sales, and other improvements along with the cost of the investment. Students evaluate the potential investment using a discount cash flow analysis.

Event start date 1999; Event end date 1999

**Appliances
Capital budgeting
Cash flow
ERP
Europe
Forecasting
Investments
Present value**

7 pp

CASE (FIELD)

5-202-124 (16pp)

9-498-045

WOLFGANG KELLER AT KONIGSBRAU-HELLAS AE(A)

Gabarro, JJ

Harvard Business School

Raises issues concerning performance evaluation, performance appraisal, managing ineffective performance, and conflicts in management style. A rewritten version of an earlier case.

\$100 million sales

**Beverages
Human resources management
Leadership
Management styles
Performance appraisal
Superior and subordinate**

18 pp

CASE (FIELD)

5-400-069 (20pp)

9-498-046

WOLFGANG KELLER AT KONIGSBRAU-HELLAS AE (B)

Gabarro, JJ

Harvard Business School

Designed as an in-class handout following the (A) case. A rewritten version of an earlier case.

**Beverages
Human resources management
Leadership
Management styles
Performance appraisal
Superior and subordinate**

5 pp

SUPPLEMENT (FIELD)

5-400-069 (20pp)

9-195-158

XEROX: OUTSOURCING GLOBAL INFORMATION TECHNOLOGY RESOURCES

Applegate, LM

Davis, K

Harvard Business School

In order to increase revenues, develop new technologies, and manage information technology more efficiently, Xerox decided to sign a 10-year, \$3.2 billion contract with Electronic Data Systems (EDS). This case describes the events that preceded Xerox's decision to outsource information technology.

Event start date 1993; Event end date 1993

**Computer systems
Information technology
Innovation
Organizational change
Suppliers**

32 pp

CASE (FIELD)

5-196-055 (13pp)

603-002-1

ZARA

Ferdows, K

*McDonough School of Business,
Georgetown University*

Machuca, JAD

University of Seville

Lewis, M

*Warwick Business School, University
of Warwick*

The case offers an illustration of a fast-response global supply, production, and retail network. In 2002 Zara, operating out of La Coruna in north-west Spain, was the only retailer that could deliver garments to its 507 stores in 33 countries in just fifteen days after they were designed. Its unique systems for product design, order administration, production, distribution and retailing were behind this astonishing capability. Its unconventional approach provides interesting opportunities for discussion and learning. The case is quite popular with executives, MBA's and undergraduate business students. It can be used in a remarkably wide range of courses – from a core operations management course to electives focused on international operations, operations strategy, global logistics, distribution, retailing, as well as in specialized and general executive programmes. The teaching note includes several photographs from Zara's operations in La Coruna, and the appendices are available as PowerPoint files as the teaching note supplement '603-002-9'. This case was the winner of the 2003 Indiana University Center for International Business Education and Research (CIBER)-

sponsored Production and Operations
Management Society (POMS)
International Case Competition.

**Spain and global; Fashion apparel;
Large multinational; 2002**

**Global supply chain
Design-product-distribution-retail
integration
Fast-response networks
Fashion retailing
Queuing and inventory models
Manufacturing-marketing interface
Time-based competition
Mechanising**

15 pp

FIELD

603-002-8 (21pp)

603-002-9 (s/w)

Helpline for case selection

If you are having problems finding the right case, or need hints on case searching ECCH provides a helpline facility. To take advantage of this service please contact Lucy Baldwin, Case Information Officer at **help@ecch.cranfield.ac.uk** or on telephone **+44 (0)1234 756420**

It will be useful if you can provide information on:

- the type of case you are looking for (subject area, topics, length etc)
- the case setting (country, industry etc)
- the course to be used on
- the students' level of experience

100 Best-selling cases

(listed in alphabetical order by subject, embraces cases from all sources)

Ref no **Title**

Economics, Politics and Business Environment

9-192-066 Whelan Pharmaceuticals: Tax Factors and Global Site Selection

Entrepreneurship

9-384-185 Valuation Techniques

Finance, Accounting and Control

9-201-028 Airbus A3XX: Developing the World's Largest Commercial Jet (A)
 9-292-140 Arundel Partners: The Sequel Project
 9-296-027 Aspen Technology, Inc: Currency Hedging Review
 9-296-049 Case of the Unidentified Industries – 1995
 9-198-048 Citibank: Performance Evaluation
 9-493-064 David Fletcher
 9-295-059 Dividend Policy at FPL Group, Inc (A)
 UVA-F-1126 Fidelity Magellan Fund, 1995
 9-200-005 Financing the Mozal Project
 298-014-1 Groupe Schneider: Economic Value Added and the Measurement of
 Financial Performance
 9A98N001 Huaneng Power International Inc: Raising Capital in Global Markets
 9-197-075 Introduction to Activity-Based Costing
 199-001-1 J D Hall & Sons Limited Case (A)
 199-002-1 J D Hall & Sons Limited Case (B)
 196-017-1 Merton Electronics Corporation
 9-100-027 Microsoft's Financial Reporting Strategy
 295-024-1 Prince SA: Valuation of a Cross-Border Joint Venture
 9-195-196 The Co-operative Bank
 9-202-017 Whirlpool Europe

Human Resource Management/Organisational Behaviour

400-003-1 Alice in Wonderland? A Different Approach to Organisational Change
 9A95C005 Antar Automobile Company – Part I: The Automation Project
 9A95C016 Antar Automobile Company – Part II: Team and Individual Objectives
 9A95C017 Antar Automobile Company – Part III: Conflicting Objectives
 497-013-1 British Petroleum: Transformational Leadership in a Transnational Organisation
 9-495-031 Charlotte Beers at Ogilvy & Mather Worldwide (A)
 9-495-032 Charlotte Beers at Ogilvy & Mather Worldwide (B)
 400-002-1 The House that Branson Built: Virgin's Entry into the New Millennium
 496-005-1 Louis Robert (B): The Deal
 9-496-024 Maureen Frye at Quaker Steel and Alloy Corp
 9-491-005 Merck & Co, Inc (A)

Ref no	Title
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Marketing

9-502-030	Aqualisa Quartz: Simply a Better Shower
9-591-133	Barco Projection Systems (A): Worldwide Niche Marketing
9-595-057	The Black & Decker Corp (A): Power Tools Division
9-592-035	Calyx & Corolla
9-595-026	Citibank: Launching the Credit Card in Asia Pacific (A)
9-580-104	Cumberland Metal Industries: Engineered Products Division – 1980
9-598-116	Dell Online
597-028-1	First Direct: Branchless Banking
599-038-1	Ford KA (A): Breaking New Ground in the Small Car Market
9-594-106	Goodyear: The Aquatred Launch
594-038-1	Intel Inside
9-596-036	Land Rover North America, Inc
501-011-1	L'Oréal (A): Fighting the Shampoo Battle
9-598-061	Note on Marketing Strategy
589-030-1	Philip Morris KK
501-042-1	Priceline (A)
501-043-1	Priceline (B)
9-587-055	Rohm and Haas (A): New Product Marketing Strategy
9-500-053	Security Capital Pacific Trust: A Case for Branding
9-599-126	Snapple
9-501-038	TiVo
597-008-1	United Colors of Benetton
595-023-1	Virgin Atlantic Airways: 10 Years After
9-501-010	Hilton HHonors Worldwide: Loyalty Wars
9-575-072	Optical Distortion, Inc (A)

Production and Operations Management

9-696-084	Deutsche Allgemeinversicherung
602-010-1	Marks & Spencer and Zara: Process Competition in the Textile Apparel Industry
9-693-019	Toyota Motor Manufacturing, USA, Inc
OSA1	Red Brand Cannery
603-002-1	Zara

Strategy and General Management

9-796-128	African Communications Group
9-792-081	Apple Computer – 1992
9-396-311	BAE Automated Systems (A): Denver International Airport Baggage-Handling System
9-673-057	Benihana of Tokyo
9-794-079	Bitter Competition: The Holland Sweetener Co vs Nutrasweet (A)
9-301-099	Cisco Systems Architecture: ERP and Web-Enabled IT
397-111-1	Cooley Distillery PLC: A New 'Spirit' in the World Whiskey Industry
IMD-3-0873	easyJet: The Web's Favourite Airline
302-016-1	Flying into a Storm: British Airways (1996-2000)
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9-399-150	GE's Two-Decade Transformation: Jack Welch's Leadership
9-396-212	Harvey Golub: Recharging American Express
9-384-049	Honda (A)
9-384-050	Honda (B)

Ref no	Title
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398-173-1	IKEA: Culture as Competitive Advantage
9-798-063	Leadership Online: Barnes & Noble vs Amazon.com (A)
301-040-1	Lufthansa 2000: Maintaining the Change Momentum
9-799-158	Matching Dell
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9-301-135	Microsoft: Competing on Talent (B)
IMD-3-0423	Nestlé-Rowntree (A)
395-113-1	Novotel
301-050-1	Renault and Nissan – A Marriage of Reason
399-122-1	Ryanair – The Low Fares Airline
9A94M004	Sabena Belgian World Airlines: Weytjens' First Assignment
9-683-068	Shouldice Hospital Limited
9-694-023	Southwest Airlines – 1993 (A)
HR1A	Southwest Airlines: Using Human Resources for Competitive Advantage (A)
9A98M006	Starbucks
301-056-1	The Formula One Constructors – Combined
302-033-1	The Transformation of BP
303-073-1	The World Airline Industry – A European Perspective
9-794-024	Wal-Mart Stores, Inc
9-498-045	Wolfgang Keller at Konigsbrau-Hellas AE (A)
9-498-046	Wolfgang Keller at Konigsbrau-Hellas AE (B)
9-195-158	Xerox: Outsourcing Global Information Technology Resources

How to order

PHONE..... Call **+44 (0)1234 750903** anytime between 8.30am and 5.30pm GMT Monday to Friday
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FAX..... Complete an order form and fax direct on **+44 (0)1234 751125**

POST..... Complete an order form and send to **The European Case Clearing House
Cranfield University, Wharley End
Bedfordshire MK43 0JR England**

E-MAIL..... Send the details of your order to **ECCH@cranfield.ac.uk**

INTERNET.... Orders may also be placed via our web site at **http://www.ecch.cranfield.ac.uk**

TERMS OF BUSINESS

1. DEFINITIONS

- 1.1 **"Buyer"**:
Means the person, company or organisation which buys or agrees to buy the Goods from the Seller.
- 1.2 **"Conditions"**:
Means terms and conditions of sale set out herein together with any further special terms and conditions as may be agreed in writing by the Seller.
- 1.3 **"Contract"**:
Means the contract between the Seller and the Buyer incorporating the Conditions and the matters set out in the order overleaf.
- 1.4 **"Delivery Date"**:
Means the date specified by the Seller (if at all) when the goods are to be delivered to the buyer provided always that time shall not be of the essence in this respect.
- 1.5 **"Goods"**:
Means the items which the Buyer agrees to buy from the Seller consisting of (but not limited to) written case studies, books, videos and published or unpublished written articles.
- 1.6 **"Price"**:
Means the price of the goods excluding the cost of carriage, packaging, insurance and VAT.
- 1.7 **"Seller"**:
Means the European Case Clearing House, Cranfield University, Wharley End Bedfordshire MK43 0JR England.

2. CONDITIONS APPLICABLE

- 2.1 These conditions apply to all contracts for the sale of the Goods by the Seller to the Buyer to the exclusion of all other terms and conditions including any terms or conditions which the Buyer may purport to apply under any purchase order, confirmation of order or other similar document.
- 2.2 All orders for Goods shall be deemed to be an offer by the Buyer to purchase Goods pursuant to these Conditions.
- 2.3 Acceptance of delivery of Goods shall be deemed conclusive evidence of the Buyer's acceptance of these conditions.
- 2.4 Any variations to these Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by the Seller.

3. THE PRICES AND PAYMENT

- 3.1 The Price of the Goods shall be the Seller's quoted price which shall be binding upon the Seller provided that the Buyer shall accept the Seller's quotation within thirty days. The Price is exclusive of VAT which shall be calculated, if applicable, at the rate applying on the date appearing on the Seller's invoice. The Price is furthermore exclusive of postage and packaging and of carriage.
- 3.2 Payment of the Price, VAT (if applicable), postage and packaging and carriage shall be due as follows:
- 3.2.1 in relation to members of the European Case Clearing House within 30 days of the date of the Seller's invoice.
- 3.2.2 in relation to non-members of the European Case Clearing House at the time the Buyer orders the goods and the Seller shall not be bound to deliver the Goods until the Buyer has paid for them in full.
- 3.2.3 in relation to payment of the price time for payment shall be of the essence.
- 3.3 Interest on overdue invoices shall accrue from the date when payment becomes due until the date of actual payment at a rate of 5% above TSB Plc's base lending rate from time to time applicable and shall accrue at such rate after as well as before any judgment.
- 3.4 In relation to both members and non-members of the European Case Clearing House the following shall apply:
- 3.4.1 the Buyer shall not be deemed to have paid for the Goods in full until such time as the Seller's bank account has been credited with the full amount as set out on the invoice.
- 3.4.2 the Buyer shall at all times be responsible for paying any bank or other charges, taxes, duties or commission imposed by the Buyers' Bankers or by the Sellers' Bankers or by any other competent authority and in so far as the Seller shall not receive full payment due to deduction of any such charges the Buyer shall not be deemed to have paid for the goods in full.

4. WARRANTIES AND LIABILITY

- 4.1 The quantity and description of the Goods shall be as set out in the Seller's invoice and the Seller warrants that the Goods will at the time of delivery correspond to the description of the Goods given by the Seller in the invoice. Subject to paragraph 6 below the Buyer shall be entitled to reject the Goods if they do not correspond to the description given by the Seller.
- 4.2 Except where the Buyer is dealing as a consumer (as defined in the Unfair Contract Terms Act 1977 s12) all other warranties, conditions or terms relating to fitness for purpose, satisfactory quality or condition of the Goods whether implied by statute or common law or otherwise are excluded.
- 4.3 The Seller gives no warranty (and none shall be implied) with regard to the correctness of any statement or opinion contained, set out or referred to in the Goods.

5. DELIVERY OF THE GOODS

- 5.1 Subject to paragraph 3 above delivery of the Goods shall be made (unless otherwise agreed in writing between the Buyer and the Seller) by posting the Goods via normal First Class Post, Registered Post or Recorded Delivery Post, to the address specified by the Buyer in the order or, where no address is specified, to the Buyer's address appearing on any correspondence sent by the Buyer to the Seller. Where the Buyer is situated outside the United Kingdom the Goods will be sent to the Buyer's address via Air Mail.
- 5.2 The Seller accepts no responsibility for the goods whilst in transit save that the Seller may, in its absolute discretion, replace Goods where the Seller is reasonably satisfied that the Goods have not been received.

6. ACCEPTANCE OF THE GOODS

- 6.1 The Buyer shall be deemed to have accepted the goods forty eight hours after receipt by the Buyer.
- 6.2 After acceptance the Buyer shall not be entitled to reject Goods which do not correspond to the description given by the Seller.

7. TITLE AND RISK

- 7.1 Title shall pass on delivery of the Goods.
- 7.2 Risk shall pass as follows:
- 7.2.1 where the Goods are to be delivered via the Post or by Air Mail on posting of the Goods.
- 7.2.2 where Goods are delivered by a Carrier upon the date that the Goods are tendered for delivery.

8. REMEDIES OF BUYER

- 8.1 Except where the Buyer is dealing as a consumer (as defined in the Unfair Contract Terms Act 1977 s12):
- 8.1.1 where the Buyer rejects any goods then the Buyer shall have no further rights whatsoever in respect of the supply to the Buyer of such goods or the failure by the Seller to supply goods which conform to the Contract.
- 8.1.2 where the Buyer accepts or has deemed to have accepted any goods then the Seller shall have no liability whatsoever to the Buyer in respect of those Goods.
- 8.2 The Seller shall not be liable to the Buyer for late delivery of the Goods.

9. LIMITATION OF SELLER'S LIABILITY

- 9.1 The Seller shall be under no liability whatsoever to the Buyer for any indirect loss and/or expense (including loss of profit) suffered by the Buyer howsoever the same may arise and in any event under no circumstances shall the liability of the Seller exceed the price of the Goods.

10. HEADINGS

- 10.1 All headings are for ease of reference only and shall not affect the construction of this contract.

11. SEVERANCE

- 11.1 Any provision of this contract which is or may be void or unenforceable to the extent of such invalidity or unenforceability be deemed severable and shall not affect any other provision of this contract.

12. PROPER LAW OF CONTRACT

- 12.1 This contract is subject to the laws of England and Wales.

13. SELLERS CANCELLATION CLAUSE

- 13.1 The Seller may cancel this contract at any time before the goods are delivered by giving written notice to the Buyer. On giving such notice the Seller shall promptly repay to the Buyer any sums paid in respect of the Price.
- 13.2 The Seller shall not be liable for any loss or damage whatsoever arising from such cancellation.

14. INTELLECTUAL PROPERTY

- 14.1 All intellectual property rights pertaining to the Goods (including but not limited to copyright, registered and unregistered trade and service marks, know how, and moral rights) shall as between the Seller and the Buyer be the property of the Seller and in so far as the Seller shall not be the owner of such intellectual property rights the Seller warrants that it is the duly authorised agent of the owner of such intellectual property rights and is entitled to deal with such intellectual property rights as set out in the contract.
- 14.2 The Buyer shall not be entitled to request nor shall the Buyer be entitled to receive any proof of ownership by the Seller of such intellectual property rights or proof that the Seller acts as the duly authorised agent of the owner and furthermore the Buyer shall not be entitled to refuse to perform in full its obligations under this contract in any way by virtue of the Sellers refusal or inability to provide any such proof of ownership of such intellectual property rights or of the Sellers appointment as agent of the owner.
- 14.3 The Buyer shall not be permitted to copy, sell, assign, hire, display, or broadcast the Goods in any manner whatsoever (whether for payment or otherwise) save as may be expressly authorised by the Seller in writing.

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