

100 best-selling cases

2006 edition

How to use the case bibliography

This bibliographical supplement presents the 100 best-selling cases from the ecch catalogue during 2005. It incorporates abstracts of all the cases and full bibliographical details such as setting, topics and details of any teaching note. Visit the ecch website at www.ecch.com to view and download a pdf version of the bibliography.

Cases appear alphabetically by title, each with its own entry. Teaching notes do not have separate entries. Their reference numbers and lengths appear within the corresponding case entry.

Case entry:

404-015-1

KIDNAPPED IN COLOMBIA

Rarick, CA

Barry University, Florida

Dan and Melissa Woodruff, an American couple, moved to Medellin, Colombia when Dan is offered a position with his....

Colombia; Textiles; 275 employees; 2001

Kidnapped
Colombia
Political risk

9pp

Published sources

404-015-8 (4pp)

Reference number

Title

Author(s)

Author's institution

Abstract

Setting

Topics

Length

Source

Teaching note (length)

Reference number

This is the number to use when ordering the item.

Title

Cases in a series are generally denoted by the use of (A), (B), (C) etc.

Author(s)

The individual(s) listed either wrote or supervised the writing of the case.

Author's institution

Where there are multiple institutions, their names will appear directly under the corresponding author(s).

Abstract

The abstract summarises the content of the case and its teaching objectives.

Setting

This provides information on the geographical location of the subject of the case, the type of industry, the size of the organisation and the year(s) of the case event.

Topics

These are key words, subjects and issues within the case which are supplied by the author(s).

Length

The length is given either in pages or in minutes if a video; if the item is a CD-ROM this will be indicated here; s/w means software.

Source

This relates to the main source of data:

Field research

Published sources

Generalised experience

Teaching note (length)

If a teaching note is available for the case its reference number will appear here followed by its length in pages in brackets.

Case search at www.ecch.com

Visit the case search section of the ecch website to identify relevant cases from the ecch collection and view over 24,000 full text inspection copies. To search the database of over 43,000 items, you have two options: Advanced search and Quick search. Once you have identified your case, you can order a paper inspection copy or, if authorised, preview it on-line.

Advanced search helps you identify a case that most closely meets your requirements. Refine your search by selecting up to four of the following and additional specific options (eg publication year). The more criteria you select, the more refined your search will be:

- reference number
- abstract
- title
- topic
- author
- industry
- author's institution
- geographic location

Quick search enables you to find a particular case you know of, by inputting one piece of accurate data (eg reference number or featured company). Be specific, because quick search will display all entries where an exact match is found.

On the ecch website you can find out about the many services ecch provides to support the writing and teaching of cases. You can also subscribe to:

- **Monthly e-mail updates**

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- **ECCHO**

Recently relaunched, ECCHO includes case reviews, features and information on the case method, as well as a free case that teachers can use.



need help to find the right case?

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Be ready to provide information on the:

- Type of case you are looking for
- Setting of the case
- Course the case will be used on
- Students' level of experience

ecch helpline: help@ecch.com or +44 (0)1234 756410.

European Case Awards 2006

Overall winner

302-033-1

THE TRANSFORMATION OF BP

Sumantra Ghoshal, Lynda Gratton and Michelle Rogan
London Business School

Economics, Politics and Business Environment

204-159-1

DANFOSS RC IN CHINA (A): GOING GLOBAL

Jonathan Story
INSEAD

Entrepreneurship

803-065-1

THE BIG ISSUE

Stephanie Robertson and Julian Lloyd
London Business School

Ethics and Social Responsibility

JBEE2-1CS1

GLAXOSMITHKLINE AND DEVELOPING COUNTRY ACCESS TO ESSENTIAL MEDICINES (A)

N Craig Smith and Anne Duncan
London Business School (Senate Hall Academic Publishing)

Finance, Accounting and Control sponsored by IBS, Hyderabad

294-009-1

THE BOEING 777

Robert Bruner
INSEAD / Darden Graduate School of Business Administration, University of Virginia

Human Resource Management / Organisational Behaviour

403-050-1

LVMH: CAREER DEVELOPMENT THROUGH INTERNATIONAL MOBILITY

Jean-Luc Cerdin
Groupe ESSEC

Knowledge, Information and Communication Systems Management

903-030-1

IMPLEMENTATION OF THE BALANCED SCORECARD AS A MEANS OF CORPORATE LEARNING: THE PORSCHE CAR

Jan Dominik Gunkel *WHU, Vallendar*
Gilbert Probst *HEC, University of Geneva*

Continued overleaf

Marketing sponsored by The Chartered Institute of Marketing

504-007-1

**DIESEL FOR SUCCESSFUL LIVING: BRANDING STRATEGIES FOR AN
UP-MARKET LINE EXTENSION IN THE FASHION INDUSTRY**

Pierre Chandon

INSEAD

Production and Operations Management

IMD-6-0249

THE "MI ADIDAS" MASS CUSTOMIZATION INITIATIVE

Ralf W Seifert

IMD

Strategy and General Management

302-057-1

THE EVOLUTION OF THE CIRCUS INDUSTRY

Renée Mauborgne, Ben Bensaou and W Chan Kim

INSEAD

100 best-selling cases

394-033-1

ADVANCED DRUG DELIVERY SYSTEMS: ALZA AND CIBA-GEIGY (A)

Angelmar, R
Doz, Y
Cunningham, M
INSEAD

This is the sixth case in a series of 11 (394-028-1 through 394-038-1), which deals with a technological partnership between a large firm (Ciba-Geigy) and a small firm (Alza). It covers a period of about eight years: from 1977 until 1984. The first cases (394-028-1 to 394-030-1) describe the pharmaceutical industry, the two companies, and the events leading up to the partnership opportunity. The following cases (394-031-1 and 394-032-1) analyse the structure of the agreement and the evolving actual functioning of the partnership between 1978 and 1981. The final cases (394-033-1 to 394-038-1) describe the dissolution of the partnership in 1982, and the longer-term consequences of the partnership for each company. The general objective of the case series is to provide an opportunity for discussing the generic issues arising in technological partnerships between large and small companies. Specific objectives are: (1) to provide an understanding of the reasons for technological partnerships between large and small companies; (2) to allow participants to design an interface structure for a partnership; (3) to develop an understanding of the role of different management tools in partnership effectiveness, and to provide practice in diagnosing a concrete partnership situation and suggesting remedial action to enhance effectiveness; (4) to understand the causes of conflicts in partnerships; (5) to provide practice in assessing whether a partnership is sustainable; (6) to understand the problems involved in terminating a partnership; (7) to provide an opportunity for evaluating the success of a partnership and for understanding the factors which influence partnership success.

Switzerland, USA; Pharmaceutical industry; Small and large companies; 1977-1988

31 pp
Field research

9-201-028

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

Esty, B
Kane, ML
Harvard Business School Publishing

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.

2000

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

20 pp
Published sources
5-201-040 (31 pp)

9-792-081

APPLE COMPUTER - 1992

Yoffie, DB
Harvard Business School Publishing

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?

United States; Computers; Fortune 500, 12,000 Employees, \$7 billion revenues; 1992,

**Computer industry
Corporate strategy
Industry analysis
Strategy formulation**

22 pp
Field research
5-792-098 (17 pp)

9-502-030

AQUALISA QUARTZ: SIMPLY A BETTER SHOWER

Moon, Y
Herman, K
Harvard Business School Publishing

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.

United Kingdom; Manufacturing; £8 million revenue; 2001

**Consumer behavior
Consumer marketing
Distribution channels
Market entry
Market positioning
Marketing strategy
Product development
Product introduction
Product positioning**

18 pp
Field research
5-503-058 (23 pp)

9-197-047
ARCH COMMUNICATIONS GROUP, INC

Srinivasan, S
 Palepu, K
Harvard Business School Publishing

The market values Arch differently from analysts' values. Students are asked to evaluate the investment potential of Arch's stock based on industry fundamentals and analysts' forecasts.; Company/stock valuation.

**Communications equipment
 Technology
 Valuation**

28 pp
 Published sources

394-049-1
BANCO COMERCIAL PORTUGUÊS (1993)

Doz, Y
 Horwitch, M
 de Pommès, C
 Taubman, C
INSEAD

The case describes the rapid development of BCP into one of the largest banks in Portugal, with six distinct networks and hundreds of branches. Its growth was based largely on a strategy of customer responsiveness, rooted in a sophisticated approach to market segmentation and in a bold use of information technology and innovation to gain competitive advantage. The case also discusses the sustainability of this competitive advantage in the face of 1993, competitive imitation and internal complexity and growing formalization. Topics covered are strategic analysis and 'strategic window', strategic commitments and the building of barriers to competitive imitation, as well as new venture risks and returns, sustainability of competitive advantage based on a service innovation and the role of information technology choices in building this advantage. There is a Spanish translation available (E394-049-1).

Portugal; Retail banking; Medium-sized bank; 1986-1993

43 pp
 Field research
 394-049-8 (15 pp)

9-591-133
BARCO PROJECTION SYSTEMS (A): WORLDWIDE NICHE MARKETING

Moriarty Jr, R
 McQuade, K
Harvard Business School Publishing

Deals with the issue of niche marketing in a worldwide market. Barco Projection Systems makes video, data, and graphic 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 pre-empted 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.

Global, Belgium; Industrial projectors; Mid-size, \$50 million revenues; 1989-1990

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

19 pp
 Field research
 5-592-098 (12 pp)

597-039-1
BAXTER (A): A CHANGING CUSTOMER ENVIRONMENT

Vandermerwe, S
 Taishoff, M
Imperial College London, Tanaka Business School

This is the first of a three-case series (597-039-1 to 597-041-1). The overriding aim of the series is to demonstrate how a company must change from the traditional transactional product approach to one more suited to the new world. The old model is based on selling more products at certain margins using conventional marketing tools, whereas the new approach is about the lifelong value of customers and how to achieve that so that everyone in the system gains. The cases discuss the dilemma facing Baxter Renal Division, in the UK specifically, and in Europe generally. Their main product is the bag and solution for dialysis treatment for kidney disorder. Although Baxter had 80% market share by the mid-1990s two major threats had

emerged: (1) a competing treatment, cheaper on a bag-for-bag basis, was increasingly being favoured by new economic buyers who had become the more powerful decision makers and; (2) Baxter's dominance in its product market was being challenged by low-cost competitors. When case (A) opens in January 1997, an unprecedented crisis confronted Peter Leyland, recently appointed UK Business Director: five key hospital accounts had been lost. Moreover, the key success factors in the business - the number of patients treated, the kind of treatment received, the number of bags sold, and the proportion or market share of those cared for with their treatment - were all going downhill. Leyland was convinced that the only route to long term growth and profitability was not by trying to beat the competition at the same old game, but rather by taking the lead and changing the way the industry operated. Part of his challenge was getting various customers - buyers, users and influencers - to think and behave differently. Leyland and his team embark on a customer-focused strategy starting with end users and working backwards. Two videos are available to accompany the case series '597-039-3' and '599-014-3', the latter gives an update (March 1999) on Leyland's strategy. **ecch European Case Awards Category Winner 2002**

Europe; Medical; US\$ 100 million to Baxter Renal; 1996-1997

**Strategic customer focus
 Costing and pricing - new value based marketing
 Relationship marketing
 Value based customer transformation
 Articulating 'market spaces'
 Value added services**

19 pp
 Field research

9-673-057
BENIHANA OF TOKYO

Sasser Jr, W
 Klug, J
Harvard Business School Publishing

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.

Multinational; Foods; Mid-size; 1972
Corporate strategy
Expansion
Multinational corporations
Restaurants
Services

17 pp
 Field research
 5-677-037 (5 pp)

9-292-122
BETA MANAGEMENT CO

Edleson, ME
Harvard Business School Publishing

A manager of a small investment company has been successfully using index funds for limited market timing. Growth has allowed her to move into picking stocks. She is considering two small and highly variable listed stocks, but is concerned about the risk that these investments might add to her portfolio. Provides a lead-in to the CAPM. Students learn about total risk, non-diversifiable or portfolio risk, and (CAPM) beta, and calculate variability of the stocks separately, and portfolio variance with and without the stocks, to see how an extremely risky (but low-beta) stock actually reduces risk; and calculate stock betas.

Unspecified; Investment management; Small; 1991

Cost benefit analysis
Diversification
Efficient markets
Investment management
Portfolio management
Regression analysis
Risk assessment

5 pp
 Generalised experience
 5-294-113 (10 pp)

9-794-079
BITTER COMPETITION: THE HOLLAND SWEETENER CO vs NUTRASWEET (A)

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

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.

Global; Sweeteners; Large, \$2 billion revenues; 1965-1992
Beverages
Competition
Food
Patents
Strategy formulation

14 pp
 Field research
 5-795-164 (28 pp)

IMD-5-0671
BLACKBERRY (A)

Ryans, A
IMD - International Institute for Management Development

Research in Motion had successfully launched the innovative BlackBerry service in North America and was looking to accelerate the growth of the business in North America and globally. The company had been using a direct sales approach and was considering a move to using telecommunications carriers as the primary channel. A team of executives had been charged with recommending a strategy and implementation plan.

Global; Telecommunications; Revenues US\$220 million; September 2001
Marketing strategy
Channel management
Business strategy
Accelerating growth

20 pp
 Field research
 IMD-5-0671-T (14 pp)

9-392-032
BODY SHOP INTERNATIONAL

Bartlett, C
 Elderkin, K
 McQuade, K
Harvard Business School Publishing

Describes the start-up and rapid growth of a company whose founder holds strong, non-traditional beliefs about the role of the corporation and its responsibility to society. After profiling Anita Roddick as a person, the case describes the anti-mainstream approach she took to building her highly successful business (no advertising, simple packaging, non-traditional R&D). After elaborating on the strong values she has imposed on the business, concludes by highlighting questions of the business' transferability to the United States and its survivability as Anita steps back.

United Kingdom; Retailing; Mid-size, 2,000 Employees, \$100 million revenues; 1991

Business policy
Consumer goods
Corporate culture
Corporate responsibility
Entrepreneurial management
International business
Retailing

19 pp
 Published sources
 5-395-148 (7 pp)

UVA-F-1017
BOEING 777

Bruner, RF
 Gollish, D
 Clausen, H
 Koggersbol, N
 Christey, P
Darden Business Publishing

The general objective of this case is to exercise students' skills in estimating a weighted-average cost of capital and cost of equity. The specific need to estimate a segment WACC draws out students' abilities to critique different estimates of beta and to manipulate the levered-beta formulas. Thus the case provides a complete menu of capital-cost estimation opportunities.

Seattle, WA; Aircraft manufacturing; Large; 1990

Capital asset pricing model
Capital budgeting
Capital investment
Competitive analysis
Cost of capital
Valuation

26 pp
Published sources
UVA-F-1017TN (12 pp)

**497-013-1
BRITISH PETROLEUM:
TRANSFORMATIONAL LEADERSHIP
IN A TRANSNATIONAL
ORGANISATION**

Kets de Vries, M
Florent, E
INSEAD

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 British Petroleum (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
Published sources
497-013-8 (22 pp)

**9-300-018
BRL HARDY: GLOBALIZING AN
AUSTRALIAN WINE COMPANY**

Bartlett, C
Harvard Business School Publishing

Focuses on two new product launch decisions facing Christopher Carson, managing director of BRL Hardy, Europe. Responsible for the European operations of a major Australian wine company, Carson has begun to globalize his strategy beyond selling the parent company's wines. After a difficult joint venture with a Chilean wine source, he is proposing to launch an Italian line of wines. His local team has also developed a new Australian brand that would compete directly with a parent company's global brand rollout. Focuses on global strategy choices being made through headquarter-subsidary negotiations that define the roles of country managers and global product managers.

Australia
Beverages
Business policy
Entrepreneurship
International business
International marketing
New product marketing
Strategy implementation
United Kingdom

20 pp
Field research
5-300-128 (14 pp)

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

Fruhan Jr, WE
Harvard Business School Publishing

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.

1995
Financial management
Financial ratios

2 pp
Published sources
5-297-049 (7 pp)

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

Ibarra, H
Sackley, N
Harvard Business School Publishing

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.

7,000 Employees; 1992-1993
Advertising
Leadership
Multinational corporations
Organizational change

18 pp
Field research
5-495-033 (16 pp)

**9-187-081
CODMAN & SHURTLEFF, INC:
PLANNING AND CONTROL SYSTEM**

Simons, RL
Harvard Business School Publishing

Detailed description of the planning and control systems in use at Johnson & Johnson. Focuses on the actions of managers in one subsidiary in revising

budget targets. Illustrates intensive strategic planning and financial planning process in a large, decentralized company. Includes interviews with the president and senior executives concerning benefits of the system. Raises issue of the role of formal control systems in decentralized organizations.

Massachusetts, New Jersey; Health care; Fortune 500, 75,000 Employees; 1986

Budgeting
Control systems
Decentralization
Planning systems
Strategic planning

17 pp
Field research
5-188-029 (9 pp)

9-702-442
COLA WARS CONTINUE: COKE AND PEPSI IN THE TWENTY-FIRST CENTURY

Yoffie, DB
Wang, Y
Harvard Business School Publishing

Examines the industry structure and competitive strategy of Coca-cola and Pepsi over 100 years of rivalry. New challenges of the 21st century included boosting flagging domestic cola sales and finding new revenue streams. Both firms also began to modify their bottling, pricing, and brand strategies. They looked to emerging international markets to fuel growth and broaden their brand portfolios to include non-carbonated beverages like tea, juice, sports drinks, and bottled water. For over a century, Coca-Cola and Pepsi-Cola had vied for the 'throat share' of the world's beverage market. The most intense battles of the cola wars were fought over the \$60 billion industry in the United States, where the average American consumes 53 gallons of carbonated soft drinks (CSD) per year. In a 'carefully waged competitive struggle', from 1975 to 1995 both Coke and Pepsi had achieved average annual growth of around 10% as both US and worldwide CSD consumption consistently rose. This cozy situation was threatened in the late 1990s, however, when US CSD consumption dropped for two consecutive years and worldwide shipments slowed for both Coke and Pepsi. The case considers whether Coke's and Pepsi's era of sustained growth and profitability was coming to a close or

whether this apparent slowdown was just another blip in the course of a century of enviable performance. A rewritten version of an earlier case by Michael E Porter and David B Yoffie. May be used with: (9-794-055) Cola Wars Continue: Coke vs Pepsi in the 1990s; (9-799-117) A Hundred-Year War: Coke vs Pepsi - 1890s-1990s.

United States and global; Beverages; Fortune 500; 2000

Beverages
Competition
Corporate strategy
Industry analysis
Industry structure
International business

24 pp
Published sources
5-703-403 (11 pp)

9-378-024
CROWN CORK & SEAL CO, INC

Gordon, K
Hamermesh, RG
Reed, J
Harvard Business School Publishing

Describes the technical, economic, and competitive trends in the metal container industry. The strategy of Crown Cork and Seal is then described in relation to these trends. Focuses on two immediate threats to Crown's strategy: the future of aerosol cans, given the ozone problem; and the impact of the banning of nonreturnable containers.

United States, multinational; Metal containers; Fortune 500, \$1 billion sales; 1977

Business policy
Corporate responsibility
Corporate strategy
Industry structure
Metals
Packaging
Regulation
Technological change

21 pp
Published sources
5-378-108 (8 pp)

9-192-150
CRYSTAL MEADOWS OF TAHOE, INC

Bruns Jr, WJ
Harvard Business School Publishing

An introductory case in cash flow analysis and the preparation of statements of cash flows. Based on the 1991 income statement and balance sheet at a ski resort company, the case provides additional information which allows a student to prepare both a direct and an indirect statement of cash flows. A rewritten version of an earlier case.

California, Utah; Skiing; Small, \$20 million revenues; 1991

Accounting policies
Cash flow
Management accounting
Recreation

6 pp
Published sources
5-193-128 (6 pp)

9-495-046
DATAVISION (A)

Beers, MC
Rogers, G
Harvard Business School Publishing

Depicts a team-building intervention by an organizational consultant at a small computer company. Should promote discussion surrounding such techniques.

Computer industry
Consulting
Organizational development
Teams

15 pp
Field research
5-498-030 (12 pp)

504-007-1
DIESEL FOR SUCCESSFUL LIVING: BRANDING STRATEGIES FOR AN UP-MARKET LINE EXTENSION IN THE FASHION INDUSTRY

Chandon, P
Grigorian, V
INSEAD

Renzo Rosso, the president and founder of Diesel SpA, the innovative Italian casual wear company famous for its controversial 'For Successful Living' advertising campaign, is pondering how to brand its new upscale line of clothing: StyleLab. The objectives set for StyleLab are: (1) to enter the new and attractive high casual wear market; (2) to create an aura of prestige for the core D-Diesel line; and (3) to provide Diesel's designers with the opportunity to experiment with new

cuts and fabrics, which may eventually trickle down to the main D-Diesel brand. The case focuses on the selection of the branding strategy for StyleLab: should it be an independent brand with no link to Diesel, a sub-brand of Diesel, or an independent brand endorsed by Diesel? It can also be used to discuss critical issues in the marketing of fashion and luxury brands. In particular, it illustrates how Diesel has managed to grow without losing its core identity. The main objectives of the case are to develop an understanding of the key issues involved in managing a portfolio of brands and to evaluate alternative branding strategies for launching a new brand using a structured approach and tools. The case also illustrates critical issues in the marketing of fashion and luxury brands, most notably brand extensions. This case has been successfully taught in an MBA course on brand management. It can also be used in a session on branding in a marketing management course. The large corpus of Diesel's controversial print and television advertisements also make the case suitable for an advertising course or the advertising module of a marketing management course. Finally, the case can also be used in a market research course to illustrate the value of experimental methods for studying the effects of branding. A CD-ROM (504-007-9) is available to accompany the teaching note. The CD-ROM contains 23 of Diesel's best television commercials (called 'videotronic guides to successful living'), a PowerPoint presentation containing all the case exhibits, a PowerPoint presentation of Diesel and StyleLab print advertising campaigns, before and after the time of the case, and a PowerPoint presentation with information on what happened to Diesel and StyleLab after the case. **ecch European Case Awards Category Winner 2006**

Western Europe; Fashion; 1,000 Employees, 260 million euros turnover; 1999

Branding
Marketing
Brand management
Brand extension
Fashion
Luxury goods
Advertising
Logos

25 pp
Field research
504-007-8 (21 pp)

**9-700-115
DOGFIGHT OVER EUROPE: RYANAIR
(A)**

Rivkin, JW
Harvard Business School Publishing

In April 1986, the Ryan brothers announce that their fledgling Irish airline Ryanair, will soon commence service between Dublin and London. For the first time, Ryanair will face formidable competitors such as Aer Lingus and British Airways on a major route. Students are asked to assess Ryanair's entry and anticipate the response of incumbent carriers. Allows students to hone skills in competitor analysis and in the anticipation of competitive dynamics. Cost and revenue figures permit students to examine the economics of retaliatory pricing in a business with high fixed costs and low marginal costs.

Ireland; Airlines; 10 Employees; 1986

Airlines
Competition
Cost analysis
Industry analysis
Market entry
United Kingdom

8 pp
Field research
5-701-090 (21 pp)

**301-228-1
EASYEVERYTHING'S PRICING
POLICIES**

Pagliero, M
Courty, P
London Business School

Founded in 1999 by Stelios Haji-loannou, easyEverything quickly became the largest chain of Internet cafés in the world. Stelios used his experience in the airline industry to introduce dynamic pricing in Internet café. The price in the cafes is automatically updated every 5 minutes according to capacity utilisation and, far from discouraging potential customers, the new system has been widely accepted. Although this pricing scheme successfully manages to smooth demand, preventing queues from forming or having empty stores, Stelios believes that it can be improved. The challenge ahead is to find new ways to increase store occupancy without having to decrease prices below reasonable levels. The focus of the case is on pricing and it illustrates how the concepts of demand and price discrimination are

used in practice. The aim of the case is to stimulate students to discuss how easyEverything manages its pricing policies to sort consumers in different segments and to make the best use of store capacity. Overall, the case introduces the reader to the fundamental issue of how different pricing instruments can be used to maximise revenues.

Europe; Internet cafés; 1999-2001

Pricing policies
Demand curve
Price discrimination
Peak load pricing
Revenue management
Dynamic pricing

25 pp
Field research
301-228-8 (8 pp)

**IMD-3-0873
EASYJET: THE WEB'S FAVOURITE
AIRLINE**

Kumar, N
Rogers, B
IMD - International Institute for Management Development

Stelios Haji-loannou, the 32-year-old Chief Executive Officer 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 cafés. Some questioned whether Stelios would be able to successfully transfer his low cost business model to Internet cafés. 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

100 best-selling cases

'easyEverything: The Internet Shop' (IMD-3-0874) and 'www.easyrentacar.com' (IMD-3-0875). **ecch European Case Awards Category Winner 2001 and ecch European Case Awards Overall Winner 2002**

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

Marketing strategy
Industry analysis
Service management

22 pp

Field research

IMD-3-0873-T (19 pp)

IMD-3-0872

EASYJET: THE WEB'S FAVOURITE AIRLINE (ABRIDGED)

Kumar, N

Rogers, B

IMD - International Institute for Management Development

This is an abridged version of 'easyJet: The Web's Favourite Airline' (IMD-3-0873). Stelios Haji-Ioannou, the 32-year-old Chief Executive Officer 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. 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**.

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

Marketing strategy
Industry analysis
Service management

4 pp

Published sources

IMD-3-0872-T (20 pp)

302-058-1

EVEN A CLOWN CAN DO IT: CIRQUE DU SOLEIL RECREATES LIVE ENTERTAINMENT CASE B

Mauborgne, R

Bensaou, B

Chan Kim, W

INSEAD

This is the second of a two-case series (302-057-1 and 302-058-1). Cirque du Soleil very successfully entered a structurally unattractive circus industry. It was able to reinvent the industry and created a new market space by challenging the conventional assumptions about how to compete. It value innovated by shifting the buyer group from children (end-users of the traditional circus) to adults (purchasers of the traditional circus), drawing upon the distinctive strengths of other alternative industries, such as the theatre, Broadway shows and the opera, to offer a totally new set of utilities to more mature and higher spending customers. The case series is designed to serve a variety of purposes in the value innovation and creating new market space teaching module of an MBA strategy course or executive education programme. The case series can be equally used individually in a standalone module on value innovation or as part of a sequence of three to four sessions. In both instances, the instructor can best use it to cover the following topics: (1) the value innovation logic (as compared to industry and competitive analysis); (2) the concept of value curve; and (3) the six paths analysis for creating new market space. Transparencies are available to accompany this case series (302-057-7).

Canada, USA, Europe; Circus; 2001

Circus and live entertainment industry
Value innovation
Strategy
Creating new market space
Redefining industry boundaries
Moving across industries

**Thinking out of the box
Competition**

9 pp

Field research

302-057-8 (24 pp)

303-093-1

EXTENDING THE 'EASY' BUSINESS MODEL: WHAT SHOULD EASYGROUP DO NEXT?

Doz, Y

Balchandani, A

INSEAD

easyGroup is contemplating its entry into the cinema exhibition business in the UK, through the launch of a no-frills cinema. The company believes that it can redeploy the capabilities, such as yield management, that led to the success of easyJet, its low cost airline business, into this new venture. The case examines the market for cinema in the UK, as well as the evolution of easyGroup's portfolio of companies, with a view to assessing the attractiveness of the company's planned launch of easyCinema. The objective of the case is to highlight the challenges faced by a company in developing a coherent growth strategy and to assess the extent to which an organisation's capabilities can be redeployed into new business ventures. This case aims to develop a discussion on the advantages and limits of a related diversification strategy.

United Kingdom; Cinema exhibition; 400 Employees; 2003

Growth strategy
Diversification
Related diversification
Entrepreneurship

26 pp

Field research

303-093-8 (17 pp)

597-028-1

FIRST DIRECT: BRANCHLESS BANKING

Larreche, JC

Parmenter, D

Lovelock, C

INSEAD

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). This case contains colour exhibits. ** ecch European Case Awards Overall Winner 2000**.

United Kingdom; Banking; 1997

Marketing
Direct marketing
Relationship marketing
Services
Banking
Telebanking

32 pp

Field research

597-028-8 (16 pp)

**302-016-1
FLYING INTO A STORM: BRITISH
AIRWAYS (1996-2000)**

Manzoni, JF

Barsoux, J

INSEAD

This case considers the transition at the head of British Airways (BA) 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 of 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 case 'Remaining the World's Favourite Airline': British Airways 1993-97 (398-081-1). This present case will support a broader discussion. There is a French translation available 'F302-016-1'.

*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

Published sources

302-016-8 (37 pp)

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

Christen, M

Soberman, D

Cothier, G

INSEAD

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. There is a French translation available (F599-038-1).

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

Segmentation
Segment identification
Target selection

Product introduction in new markets
Internal marketing

33 pp
Field research
599-038-8 (17 pp)

503-082-1
FORD KA: THE MARKET RESEARCH PROBLEM (A)

Christen, M
Soberman, D
Chung, SW
Cothier, G
INSEAD

This is the first of a three-case series (503-082-1 to 503-084-1). In response to changes in the European small car market, Ford decided to launch a new small car, the Ford Ka. Before Gilles Moynier can get to the specifics of the marketing strategy to launch the Ford Ka, he needs to decide how to segment the market and who to target. The market research firm has conducted a series of studies among potential small car buyers and now the data must be analysed and interpreted. This case series introduces students to strategic, conceptual and information issues of market segmentation and target selection - the core concept of marketing theory. The modular nature of the case allows the instructor to focus either on individual issues or on the process of market segmentation and marketing strategy development. The market research data enables students to get unique 'hands on' experience in dealing with market research data and a wide range of statistical tools (cross-tabulations, cluster analysis, multidimensional scaling and regression analysis). An Excel spreadsheet '503-082-9' is available free of charge when the teaching note is purchased. This case contains colour exhibits.

France; Automobiles; Large; 1996

Market segmentation
Market research
Marketing process
Marketing strategy
Attitudinal segmentation
Quantitative data analysis
Cluster analysis
Multidimensional scaling (MDS)
Qualitative data interpretation
Automobiles

26 pp
Field research
503-082-8 (21 pp)
503-082-9 (s/w)

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

Bartlett, CA
Wozny, M
Harvard Business School Publishing

GE is faced with Jack Welch's impending retirement and 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. May be used with: (9-304-049) GE's Talent Machine: The Making of a CEO.

United States, global; Industrial conglomerate; 293,000 Employees, \$100 billion revenues; 1981-1998

Business policy
Conglomerates
Corporate culture
Corporate strategy
Executives
Leadership
Management of change
Organizational change
Organizational development
Strategy implementation

24 pp
Published sources
5-300-019 (16 pp)

9-503-004
GOLFLOGIX: MEASURING THE GAME OF GOLF

Gourville, JT
Conover, JN
Harvard Business School Publishing

GolfLogix has developed a small, GPS-based device to help golfers track their play. They must decide how best to distribute these devices: (1) sell them directly to golfers through traditional retail channels; (2) sell them to courses, which would then provide them to golfers as part of their greens fee or for a nominal rental charge; or (3) simultaneously sell them to both groups. Complicating the decision is the fact that GolfLogix has two devices it is trying to

sell: a distance-only device, which tells golfers how far they are from the green, and a complete device that additionally allows golfers to track how far and how accurately they are hitting the ball with each club and how many putts they are taking on each hole. The distance-only device is easy to use and explain, whereas the complete device likely requires some support from the golf courses. Contains color exhibits.

United States; Golf; 6 Employees, \$1 million revenues; 2002

Consumer behavior
Distribution
Innovation
Sports

24 pp
Published sources
5-503-099 (12 pp)

201-002-1
GREAT EASTERN TOYS (B)

Hawawini, G
Remmers, L
INSEAD

This is the second of a four-case series (201-001-1 to 201-004-1). As part of its growth strategy, a new product has been designed and a study carried out by a consultant to estimate the market potential and the investment required to put it into production. The analysis calls for an estimation of the relevant cash flows from the project raising questions such as measuring opportunity costs, evaluation of sunk costs and joint costs, the impact of the new product eroding sales from existing products - typical problems arising when making capital investments. Since the investment project extends over several years, a DCF analysis is necessary. Discussion needs a full class session.

Hong Kong; Toys; US\$35 million; 1998

Financial analysis
Working capital management
Investment appraisal
Valuation of a company
Currency risk management

3 pp
Published sources
201-002-8 (6 pp)

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

Young, D
INSEAD

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 multinational 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 (26 pp)

9-396-212
HARVEY GOLUB: RECHARGING AMERICAN EXPRESS

Garvin, DA
 March, A
Harvard Business School Publishing

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 re-engineering, 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 re-engineering, 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.

New York; Financial services; Large, 70,000 employees \$14 billion revenues; 1980-1990

Business policy
 Financial services
 Leadership
 Management of change
 Reengineering

23 pp
 Field research
 5-396-334 (18 pp)

9-501-010
HILTON HHONORS WORLDWIDE: LOYALTY WARS

Deighton, J
 Shoemaker, S
Harvard Business School Publishing

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.

California; Lodging industry; \$1 billion revenues; 1999

Customer relations
 Customer retention

18 pp
 Field research
 5-501-059 (14 pp)

9-384-049
HONDA (A)

Pascale, R
 Christiansen, E
Harvard Business School Publishing

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).

Japan, United States; Motorcycles; Large; 1948-1974

Business policy
 Competition
 Corporate strategy
 Japan
 Learning curves
 Motorcycles

9 pp
 Published sources
 5-386-034 (7 pp)
 5-704-022 (27 pp)

9-384-050
HONDA (B)

Pascale, R
 Christiansen, E
Harvard Business School Publishing

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.

Japan, United States; Motorcycles; Large; 1948-1974

Business policy
 Corporate strategy
 Japan
 Management of change
 Management styles
 Motorcycles

9 pp
 Field research

9-801-361
HOWARD SCHULTZ AND STARBUCKS COFFEE COMPANY

Koehn, NF
Harvard Business School Publishing

Investigates the entrepreneur's strategic initiatives to develop a mass market for specialty coffee in the 1980s and 1990s. These initiatives included the development of premium products, rapid

expansion of company-owned stores - each with attractive retail environments and responsive customer service - and, especially, the creation of a strong brand. Also devotes considerable attention to how Schultz built the Starbucks organization, examining the consistent emphasis that he and his colleagues placed on the company's relationship with its employees, how Schultz financed Starbucks' early expansion, how vertical integration ensured quality control, and how - strategically and operationally - the company managed its phenomenal domestic and international growth after 1993.

Seattle WA; Retail; 37,000 employees, \$2.2 billion revenues; 1982-2001

**Entrepreneurship
Innovation
Leadership**

40 pp
Published sources
5-801-374 (12 pp)

**9-502-083
INSIDE INTEL INSIDE**

Moon, Y
Darwall, C
Harvard Business School Publishing

In early 2002, Pamela Pollace, Vice President and Director of Intel's worldwide marketing operations, is debating whether the company should extend its 'Intel Inside' branding campaign to non-PC product categories, such as cell phones and PDAs. The 'Intel Inside' campaign has been one of the most successful branding campaigns in history. However, the campaign is more than ten years old, and growth in the PC market appears to be stagnating. In contrast, sales of portable digital devices - such as PDAs and cell phones - appear to be growing at a healthy rate. Pollace is debating whether the 'Intel Inside' campaign will work in these other product categories, even though Intel doesn't dominate these other markets like it does the PC market, and it isn't clear that consumers will associate Intel with these other markets. May be used with: (9-505-708) Intel Commercials, Video.

California; Semiconductor; 83,000 employees, \$26 billion revenues; 2002

**Advertising
Brands**

**Consumers
Direct marketing**

24 pp
Field research
5-504-093 (16 pp)

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

Ghemawat, P
Baird, B
Harvard Business School Publishing

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

20,000 employees, \$2 billion revenues; 1996-1997

**Competition
Electronic Commerce
Internet
Publishing industry
Retailing**

19 pp
5-798-119 (15 pp)

**499-021-1
LINCOLN ELECTRIC IN CHINA**

Galunic, C
Bjorkman, I
INSEAD

This case looks at how Lincoln Electric, the US-based company renowned for its compensation scheme, tried to implement its human resource policies globally, and particularly in China. The objective is to expose readers to some of the difficulties and myths of pushing well-worn ideas overseas. The case ends off with an important question regarding the company's future, one that depends on its overseas strategy, of which HR is key.

China, USA, Europe; Manufacturing; 1998-1999

**Compensation
Cross-culture
International expansion
China
Incentives**

20 pp
Field research
499-021-8 (11 pp)

**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 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 DM730 million in 1992 to a record pre-tax profit of DM2.5 billion in 1998 (an increase of 42% compared to 1997 when the pre-tax profit was DM1.75 billion). Revenues increased by 4.8%, from DM21.6 billion in 1997, to DM22.7 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 Category Winner 2000 and ecch European Case Awards Category Winner 2004**

33 pp
Field research
301-040-8 (18 pp)

**9-494-081
MANAGING YOUR TEAM Note**

Hill, L

Harvard Business School Publishing

Designed as an overview note for the Managing Your Team module of the MBA second year elective course Power and Influence. Identifies some criteria for evaluating team effectiveness and outlines in detail the key areas of responsibility of team managers: managing the team's boundary, and managing the team itself (including designing the team and facilitating the team's process). Also contains a brief appendix on managing transnational teams as well as substantial bibliographic references for further reading.

**Corporate culture
Group behavior
Managerial skills
Organizational behavior
Organizational design
Power & influence
Teams**

22 pp

**9-692-015
MANZANA INSURANCE: FRUITVALE
BRANCH ABRIDGED**

Wheelwright, SC

Harvard Business School Publishing

Deals with performance assessment and improvement of a service operation in the insurance industry, a market that is highly sensitive to response time. Two branch offices in direct competition are described, and the impact of response time on performance is suggested. Management choices that impact response time are explored and the poorer performer of the two branches must decide how to respond.

**Competition
Insurance
Operations management
Performance measurement
Scheduling
Service management**

13 pp

Field research

5-696-043 (12 pp)

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

Pich, M

Van der Heyden, L

Harle, N

INSEAD

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 and 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). There is a French translation available (F602-010-1). **ecch European Case Awards Category Winner 2003 and ecch European Case Awards Overall Winner 2005**

*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

Published sources

602-010-8 (37 pp)

602-010-9 (s/w)

**9-799-158
MATCHING DELL**

Rivkin, JW

Porter, ME

Harvard Business School Publishing

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.

*Global; Personal computers; Fortune 500,
\$19 billion revenues; 1998*

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

31 pp

Published sources

5-700-084 (24 pp)

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

Bartlett, C

Harvard Business School Publishing

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.

6,000 employees; \$1.8 billion revenues; 1996

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

20 pp
Field research
5-398-065 (16 pp)

**IMD-5-0537
MEDI-CULT: PRICING A RADICAL
INNOVATION**

Kumar, N
Rogers, B
*IMD - International Institute for
Management Development*

This is a case that highlights the issues involved in the launch of an infertility product and procedure, which allows women to become pregnant without having to undergo unpleasant hormone stimulation or experience dangerous side-effects. In bringing its product to market, Medi-Cult, a small biotechnology company, must deal with regulatory constraints, larger competitors, and the challenges of introducing a new product into the local and global marketplace. Questions raised are: Should the product be priced according to its perceived value? Should Medi-Cult pursue a penetration or market skimming strategy in pricing the new product? How will the contribution margin be affected if a global, regional, or multinational pricing strategy is chosen? What are the ethical issues in pricing pharmaceuticals? **ecch European Case Awards Category Winner 2005**

**Worldwide; Biotechnology; 1997 turnover US\$3 million; 1998
Pricing
New products
International marketing**

13 pp
Field research
IMD-5-0537-T (14 pp)

**IMD-5-0395
MEDIQUIP SA (R)**

Kashani, K
*IMD - International Institute for
Management Development*

This case is a revised and updated edition of case '582-011-1' of the same title. The case describes the selling activities of a sales engineer with respect to a key account. The loss of the order for a CT scanner provides the background for analysing the dynamics of the buying situation and the salesman's handling of it. The issues raised are: who are the cast of characters influencing the buying decision?; what seems to motivate them?; and what sales strategy would be appropriate?

**Germany; Medical equipment; 1980-1981
Buyer behaviour
Sales organisation
Salesmen
Selling
Strategy**

9 pp
Field research
IMD-5-0395-T (13 pp)

**9-189-056
MRS FIELDS COOKIES**

Cash Jr, J
Ostrofsky, K
Harvard Business School Publishing

Mrs Fields Cookies is a small company selling freshly baked goods through privately-owned specialty stores (each store sells only Mrs Fields products). The company has about 8,000 employees worldwide and less than 150 information systems people for a unique leverage of MIS resources. The company uses information systems extensively in its processing, communications, and other management functions, including operations of the stores and hiring sales employees. Teaching objectives include discussion of information technology architecture, organizations, management control, and strategy.

**Park City, UT; Specialty foods; Small, 8,000 employees; 1988
Food
Information management
Information systems
Information technology
Supermarkets**

17 pp
Field research
5-193-035 (11 pp)

**IMD-3-0423
NESTLÉ-ROWNTREE (A)**

Ellert, JC
Killing, JP
Hyde, D
*IMD - International Institute for
Management Development*

This is the first in a three part case series (IMD-3-0423 to IMD-3-0425). 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 series is 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. **ecch European Case Awards Category Runner Up 1992 and ecch European Case Awards Category Winner 1997**

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

32 pp
Field research
IMD-3-0423-T (18 pp)

**IMD-3-0424
NESTLÉ-ROWNTREE (B)**

Ellert, JC
Killing, JP
Hyde, D
*IMD - International Institute for
Management Development*

This is the second of a three-case series (IMD-3-0423 to IMD-3-0425) on the 2.5 billion GB Sterling takeover of Rowntree by Nestlé in 1988. Nestlé has launched a hostile bid for Rowntree; this case ends at a 'breaking point' in the process, and places us in the middle of a critical negotiation session of the most senior executives of the two companies. The case is written from Nestlé's point of view, and raise questions regarding the

takeover price and the potential post-acquisition integration and organization structure. A video 'IMD-3-0424-V' is available to accompany the case. **ecch Award Winning Case 1992 and 1997**.
EFMD Case Writing Award Winner 1990.

Europe, Global; Chocolate confectionery; S Fr 35 billion sales; 1988

Mergers and acquisitions
Take-over bid price-post merger integration
Organization structure
Negotiations

18 pp
Field research
IMD-3-0423-T (18 pp)

303-046-1
NISSAN'S U-TURN: 1999-2001
CONDENSED VERSION OF
REDESIGNING NISSAN (A) & (B)

Manzoni, JF
Hughes, K
Barsoux, J
INSEAD

This case is a condensed version of the case series 'Redesigning Nissan (A) & (B)' (303-044-1 and 303-045-1). When Renault sent Carlos Ghosn to turnaround its alliance partner Nissan, observers were sceptical of his chances. After soliciting recommendations from the employees, he unveiled a three-year plan involving plant closures, job cuts, and a refocus on design. Within two years, the company had achieved a dramatic recovery, posting record profits and proposing a dazzling array of new models. Case (A) covers the dynamics of taking charge and case (B) the process of leading change. The combined and condensed version is for instructors wishing to cover the material in a single session. The cases raise a number of themes to do with how an incoming leader establishes credibility, builds a case for painful change, gathers support, provides constant and consistent communication, sells growth as well as cuts, enforces accountability, measures progress, and sustains momentum for change. The teaching note was written by J-F Manzoni and J-L Barsoux. There is a French translation available (F303-046-1).

Japan (and France); Automobile sector, Nissan and Renault; Over 130,000 employees; 1999-2001

Automobile, cars
Alliance
Transformation and turnaround
Restructuring, change and revival
Fair process and credibility
Cultural differences
Strategy
Vision and leadership
Cost cutting and plant closures
Empowerment
Product development and productivity
Cross-functional teams
Design and purchasing
Trust
Growth

25 pp
Published sources
303-046-8 (15 pp)

9-298-166
NOTE ON ALTERNATIVE METHODS
FOR ESTIMATING TERMINAL VALUE

Fruhan Jr, WE
Harvard Business School Publishing

Reviews basic techniques for estimating terminal value in the valuation of businesses. Among the techniques discussed are perpetuities, growing perpetuities, use of multiples, and liquidation value. Background reading for terminal value calculations within the control of an introductory finance course. A rewritten version of an earlier note.

Cash flow
Forecasting
Present value
Valuation

8 pp

9-395-144
OTICON (A)

Kao, JJ
Harvard Business School Publishing

Portrays the change process Oticon went through in moving from a bureaucratic, role-driven organization to a creativity-driven, flexible, informal one.; Managing creativity, the role of information technology in fostering collaboration, managing/leading change, creativity, and strategy.

Creativity
Entrepreneurship
Information technology
Leadership
Management of change

18 pp
Field research

IMD-5-0358
PHILIP MORRIS KK

Turpin, D
IMD - International Institute for Management Development

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. There is a Spanish translation available (IMD-5-0358-ES).

Japan; Food and tobacco; 1987

Pricing
Competition
Market positioning

27 pp
Field research
589-030-8 (7 pp)

9-373-052
PRELUDE CORP

Christensen, CH
Rosenblum, J
Weigle, C
Harvard Business School Publishing

Describes a company that is seeking to restructure the lobster fishing industry by applying technology and management to what has been essentially a cottage industry. The student is expected to identify and evaluate the strategy pursued by the company to date and then to assess the prospects for the future in continuing to follow that strategy.

Agribusiness
Business policy
Growth strategy
Technology

21 pp
Field research

**9-400-087
REBIRTH OF THE SWISS WATCH
INDUSTRY - 1980-92 (A)**

Tushman, M
Radov, D

Harvard Business School Publishing

The Swiss watch industry has been devastated by new entrants from Asia in the low-and mid-priced watch segments. Japanese and Hong Kong firms have used quartz technology to lower costs dramatically. Nicolas Hayek, president of a Swiss consulting firm, is asked to help design a new strategy and structure for the two Swiss giants, ASUAG and SSIH, which have decided to merge. Ernst Thomke, Managing Director of ASUAG's manufacturing arm, also figures prominently. The case outlines options for the positioning of the new, inexpensive Swatch brand as well as a number of other flagship Swiss brands. Focuses on alignment of strategy with the structure of the new company. Topics to address include the management of change and the formulation of a detailed action plan to make the new company succeed.

**15,000 employees; \$1 billion revenues;
1980-1983**

Management of change
Organizational structure
Product development
Strategy implementation
Switzerland
Technological change

14 pp
Published sources

**303-044-1
REDESIGNING NISSAN (A): CARLOS
GHOSN TAKES CHARGE**

Manzoni, JF
Hughes, K
Barsoux, J

INSEAD

This is the first of a two-case series (303-044-1 and 303-045-1). When Renault sent Carlos Ghosn to turnaround its alliance partner Nissan, observers were sceptical of his chances. After soliciting recommendations from the employees, he unveiled a three-year plan involving plant closures, job cuts, and a refocus on design. Within two years, the company had achieved a dramatic recovery, posting record profits and proposing a dazzling array of new models. Note that there are two versions of the case: 'Redesigning Nissan (A) & (B)' (303-044-1

and 303-045-1) covers the dynamics of taking charge (case A) and the process of leading change (case B). There is also a combined and condensed version of the cases: 'Nissan's U-Turn: 1999-2001' (303-046-1), for instructors wishing to cover the material in a single session. The cases raise a number of themes to do with how an incoming leader establishes credibility, builds a case for painful change, gathers support, provides constant and consistent communication, sells growth as well as cuts, enforces accountability, measures progress, and sustains momentum for change. The teaching note was written by J-F Manzoni and J-L Barsoux.

**Japan (and France); Automobile sector,
Nissan and Renault; Over 130,000
employees; 1999-2001**

Automobile, cars
Alliance
Transformation and turnaround
Restructuring, change and revival
Fair process and credibility
Cultural differences
Strategy
Vision and leadership
Cost cutting and plant closures
Empowerment
Product development and
productivity
Cross-functional teams
Design and purchasing
Trust
Growth

15 pp
Published sources
303-044-8 (20 pp)

**9-498-054
ROB PARSON AT MORGAN STANLEY
(A)**

Burton, MD

Harvard Business School Publishing

Rob Parson was a star producer in Morgan Stanley's Capital Markets division. He had been recruited from a competitor the prior year and had generated substantial revenues since joining the firm. Unfortunately, Parson's reviews from the 360-degree performance evaluation process revealed that he was having difficulty adapting to the firm's culture. His manager, Paul Nasr, faces the difficult decision of whether to promote Parson to managing director. Nasr must also complete Parson's performance evaluation summary and conduct Parson's performance review.

The teaching purpose is to explore managerial problems associated with performance appraisal and performance management.

Corporate culture
Human resources management
Interpersonal behavior
Investment banking
Management of professionals
Organizational behavior
Performance appraisal

16 pp
Field research
5-400-101 (18 pp)

**9-399-126
ROYAL DUTCH/SHELL IN NIGERIA (A)**

Moldoveanu, MC
Paine, LS

Harvard Business School Publishing

Working with Shell's country manager for Nigeria, the company's Committee of Managing Directors must decide how to respond to the Nigerian government's decision to impose the death sentence on Ken Saro-Wiwa and eight other leaders of a movement for the rights of the Ogoni (one of Nigeria's 240 ethnic groups). As the case opens, Saro-Wiwa and his codefendants have just been found guilty of inciting murder in a trial that international observers have criticized as deeply flawed. Saro-Wiwa, an environmentalist, writer, businessman, television producer, and human rights activist, has been a vocal critic of not only the Nigerian government but also Shell. Provides background on Shell, on its business in Nigeria, and on environmental and human rights issues in the Niger Delta. May be used with: (9-300-039) Royal Dutch/Shell in Transition (A); (9-300-040) Royal Dutch/Shell in Transition (B).

**Nigeria; Oil; 100,000 employees, \$94
billion revenues; 1995**

Africa
Corporate responsibility
Country analysis
Emerging markets
Environmental protection
Ethics
Multinational corporations
Petroleum industry

27 pp
Field research

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

O'Higgins, E
University College Dublin (UCD)

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). The supplementary teaching note was written by Hugh Macmillan and Mahen Tampoe. The case 'Ryanair: The Low Fares Airline (B)' (305-066-1) can be used as a follow on case. **ecch Irish Case Writing Competition Category Winner 1999 and ecch European Case Awards Overall Winner 2004**.

Europe; Airline
Strategic analysis
Industry analysis
Resources and capabilities
Sustainable competitive advantage
Business strategy
European airline industry

30 pp
Published sources
399-122-8 (18 pp)
399-122-9 (12 pp)

**305-066-1
RYANAIR: THE LOW FARES AIRLINE (B)**

O'Higgins, E
University College Dublin (UCD)

This case follows up the original 'Ryanair - The Low Fares Airline' (399-122-1) case, published in 1999, and can be used in conjunction, or on a stand-alone basis. It describes the strategic challenges faced by the budget carrier Ryanair in 2004 and

early 2005. Ryanair was the most successful airline in Europe in terms of profitability and market capitalisation. The case offers a chance to analyse the reasons for Ryanair's success and ask if its strategic business model and its manner of implementation are robust enough to withstand the challenges it faces in its competitive arena, the European airline industry (fully described as part of the case). The reader is also invited to devise and evaluate strategic options for the company and its leadership.

Europe; Airline; 2,000-plus employees, approaching 1 billion euros turnover; 2005

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

35 pp
Published sources
305-066-8 (18 pp)

**9A94M005
SABENA BELGIAN WORLD AIRLINES STRIKE**

Crossan, M
Pierce, B
Richard Ivey School of Business

On 25 October, 1992, Sabena announced its first firings and lay-offs in its history. On the evening of the downsizing announcement, Weytjens is alerted that a crowd of militant workers from another part of the company had entered the catering building to encourage the workers to join a strike action which had started earlier in the day. Weytjens had to quickly judge whether there was any better way of dealing with the situation than the accepted reaction of calling in volunteers from other parts of the company where timeliness was not as essential. Background information is provided in case 9A94M003 and 9A94M004; subsequent related cases are 9A94M006, 9A94M007, and 9A94M008.

Belgium; Air transportation; Large
Business policy
Management of change
International business
Policy formulation, implementation

2 pp
8A94M03 (20 pp)

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

Crossan, M
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.

Belgium; Air transportation; Large
Business policy
Management of change
International business
Policy formulation and implementation

8 pp
8A94M03 (20 pp)

**604-001-1
SCHEDULING THE PROJECT ACTIVITIES**

Rama Krishna, S
Veerendra Prasad, E
ICMR Centre for Management Research

The effectiveness of a project manager can be seen in the way he manages key project variables like time, cost and quality. Caselet 1 discusses a typical project management problem which requires the manager to use various techniques to schedule activities so as to complete the project within the minimum possible time. Caselet 2 explains the process of identifying the project activities while preparing a project schedule. The case is structured to enable students to understand; (1) the process of scheduling project activities; (2) the relationship between project variables like time, cost and quality; and (3) the process of crashing a project schedule. The caselets are aimed at MBA/PGDBA students and are intended to be part of the project management or operations management curriculum.

India

- Project schedule
- Network diagrams
- Project crashing
- Lead time
- Project activities
- Normal time
- Critical path

4 pp
Published sources
604-001-8 (6 pp)

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

Heskett, JL
Harvard Business School Publishing

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.

1982

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

18 pp
Field research
5-686-120 (16 pp)

**9-599-126
SNAPPLE**

Deighton, J
Harvard Business School Publishing

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?

New York; Beverages; 500 employees, \$500 million revenues; 1972-1997

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

17 pp
Field research
5-500-033 (8 pp)

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

Pfeffer, J
O'Reilly, CA
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.

United States; Airlines; 12,000 Employees, \$2.2 billion revenues; 1994

- Airlines
- Corporate strategy
- Human resources management
- Organizational behavior
- Strategy implementation

24 pp
Field research
HR1T (3 pp)

**9-504-016
STARBUCKS: DELIVERING CUSTOMER
SERVICE**

Moon, Y
Quelch, JA
Harvard Business School Publishing

Starbucks, the dominant specialty-coffee brand in North America, must respond to recent market research indicating that

the company is not meeting customer expectations in terms of service. To increase customer satisfaction, the company is debating a plan that would increase the amount of labor in the stores and theoretically increase speed-of-service. However, the impact of the plan (which would cost \$40 million annually) on the company's bottom line is unclear. The teaching purpose is to explore the various meanings of the concept of 'service' in the context of a company that is evolving in terms of both size and the composition of its customer base and to look at the links between 'customer satisfaction' and a company's sales and profitability.

- Beverages
- Customer retention
- Customer service
- Market research
- Profitability
- Retail stores

20 pp
Field research
5-504-089 (19 pp)

**599-001-1
SWATCH: COPING WITH MARKET
CHANGES**

Gilligan, C
Colin Gilligan Associates
Weisbrod, F
Sheffield Hallam University

The launch of the Swatch watch in the 1980s proved to be one of the most successful product launches of the decade. However, by 1998 the company's management team was facing a series of management challenges. Not only were demographic changes forcing a rethink of the company's strategy, but levels of competition had increased dramatically. This case study reviews the way in which Swatch developed the fashion watch market and how competitors who have entered the market subsequently changed not only the structure of the market, but also the nature and bases of competition. The case study has been designed therefore to provide a forum for discussing how a company's strategy needs to develop as the market moves into maturity and patterns of competition change.

Global; Fashion watches; Multinational; 1998

- Marketing strategy
- Competitive moves

Strategic choice
Changing demographics
Market maturity

11 pp
Published sources
599-001-8 (4 pp)

503-108-1
TESCO: THE CUSTOMER
RELATIONSHIP MANAGEMENT
CHAMPION

Mukund, A
ICMR Centre for Management Research

The case describes the customer relationship management (CRM) initiatives undertaken by Tesco, the number one retailing company in the United Kingdom (UK), since the mid-1990s. The company's growth and its numerous customer service efforts are discussed. The case then studies the loyalty card scheme launched by the company in 1995. It examines how the data generated through this scheme was used to modify the company's marketing strategies and explores the role played by the scheme in making Tesco the market leader. The case also takes a look at the various other ways in which Tesco tried to offer its customers the best possible service. Finally, the company's future prospects are commented on in light of changing market dynamics, the company's new strategic game plan, and criticism of loyalty card schemes. The case is structured to enable students to: (1) understand the concept of CRM and its importance in deriving advantages in a highly competitive market; (2) study the nature of the retailing industry in the UK, particularly the evolution of Tesco as a leading company by the end of the 1990s; (3) understand the need for loyalty card schemes, their implementation, and the role of data mining and analysis in running such schemes successfully; (4) examine how the information gathered through CRM tools can be used to modify marketing strategies and the benefits that can be reaped through them; and (5) analyse the various issues companies need to address when devising a comprehensive CRM system. The case is aimed at MBA/PGDBA students and is intended to be part of the marketing curriculum.

UK; Retailing; Large; Mid-1990s to 2003
Tesco
UK retailing industry
Customer relationship

management
CRM
Loyalty card schemes
Clubcard
Customer profiling
Sainsbury's
Asda
Dunnhumby
Jack Cohen
Global expansion
Customer classification
Customer service
Customer delight

16 pp
Published sources
503-108-8 (3 pp)

IMD-5-0604
TETRA PAK (A): THE CHALLENGE OF
INTIMACY WITH A KEY CUSTOMER

Kashani, K
Shaner, J
IMD - International Institute for Management Development

This is the first of a four-case series (IMD-5-0604 to IMD-5-0607). The (A) case of this series describes a failed attempt to sell new packaging machinery to a key Italian customer facing declining sales and profits in its milk business. Tetra Pak's analysis leads them to propose a new product strategy that is summarily rejected by the customer. The case raises the issue of Tetra Pak's strategy in the Italian milk market and the wisdom of its proposed customer strategy. The broader question is whether the company is serving the best interest of its key accounts. A video 'IMD-5-0604-V' is available to accompany the case series. **EFMD European Case Writing Competition Category Winner 2005**

Italy and international markets; Packaging systems; 7 billion Euros, 22,000 employees; 2000-2002
Industrial marketing
Key account marketing
Customer orientation
Value chain marketing
Customer satisfaction surveys
Marketing implementation
Management of change

14 pp
Field research
IMD-5-0604-T (44 pp)

IMD-5-0605
TETRA PAK (B): HEAR ME, KNOW ME,
GROW ME: THE CUSTOMER
SATISFACTION INITIATIVE

Kashani, K
Shaner, J
IMD - International Institute for Management Development

This is the second of a four-case series (IMD-5-0604 to IMD-5-0607). The (B) case describes Tetra Pak's second proposal to its key Italian customer, a strategy that is finally accepted. At the same time an international customer satisfaction survey shows that Tetra Pak's key accounts, including the Italian customer, are far from happy with their supplier. The case provides detailed data on the results of the customer satisfaction initiative and asks the student to assess the importance of survey results and what might be done in response to them. A video 'IMD-5-0604-V' is available to accompany the case series. **EFMD European Case Writing Competition Category Winner 2005**

Italy and international markets; Packaging systems; Euro 7 billion, 22,000 employees; 2000-2002
Customer satisfaction surveys
Marketing implementation
Management of change
Industrial marketing
Key account marketing
Customer orientation
Value chain marketing

9 pp
Field research
IMD-5-0604-T (44 pp)

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

Dolan, RJ
Harvard Business School Publishing

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.

United States; Power tools; Fortune 500, \$4 billion revenues; 1990
Brands
Competition
International marketing

**Marketing strategy
Product introduction
Tools**

13 pp
Field research
5-598-106 (22 pp)

**9-195-196
THE CO-OPERATIVE BANK**

Kaplan, R
Datar, S
Harvard Business School Publishing

A British bank with strong roots in the co-operative 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 re-engineering effort to learn more about the process and product costs and customer profitability, and contemplates what actions to take based on this new information.

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

17 pp
Field research
5-198-078 (5 pp)

**302-057-1
THE EVOLUTION OF THE CIRCUS
INDUSTRY CASE A**

Williamson, M
Mauborgne, R
Bensaou, B
Chan Kim, W
INSEAD

This is the first of a two-case series (302-057-1 and 302-058-1). Cirque du Soleil very successfully entered a structurally unattractive circus industry. It was able to reinvent the industry and created a new market space by challenging the conventional assumptions about how to compete. It value innovated by shifting the buyer group from children (end-users of the traditional circus) to adults (purchasers of the traditional circus), drawing upon the distinctive strengths of

other alternative industries, such as the theatre, Broadway shows and the opera, to offer a totally new set of utilities to more mature and higher spending customers. The case series is designed to serve a variety of purposes in the value innovation and creating new market space teaching module of an MBA strategy course or executive education programme. The case series can be equally used individually in a standalone module on value innovation or as part of a sequence of three to four sessions. In both instances, the instructor can best use it to cover the following topics: (1) the value innovation logic (as compared to industry and competitive analysis); (2) the concept of value curve; and (3) the six paths analysis for creating new market space. Transparencies are available to accompany this case series (302-057-7). **ecch European Case Awards Category Winner 2006**

Canada, USA, Europe; Circus; 2001

**Circus and live entertainment
industry
Value innovation
Strategy
Creating new market space
Redefining industry boundaries
Moving across industries
Thinking out of the box
Competition**

7 pp
Field research
302-057-8 (24 pp)

**301-056-1
THE FORMULA ONE CONSTRUCTORS:
COMBINED CASE**

Jenkins, M
*Cranfield School of Management,
Cranfield University*

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**

16 pp
Field research
399-001-8 (8 pp)

**9-601-163
THE RITZ-CARLTON HOTEL COMPANY**

Sucher, SJ
McManus, SE
Harvard Business School Publishing

In just seven days, the Ritz-Carlton transforms newly hired employees into 'Ladies and Gentlemen Serving Ladies and Gentlemen'. The case details a new hotel launch, focusing on the unique blend of leadership, quality processes, and values of self-respect and dignity, to create award-winning service.

*District of Columbia; Lodging industry;
18,000 employees, \$1.5 billion revenues;
2000*

**Brands
Change management
Human resources management
Innovation
Operations management
Organizational behavior**

30 pp
Field research
5-602-113 (28 pp)

**302-033-1
THE TRANSFORMATION OF BP**

Ghoshal, S
Gratton, LC
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 had 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. **ecch European Case Awards Category Winner 2005 and ecch European Case Awards Overall Winner 2006**

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

**Managing change
Organisation design
Leadership
Social responsibility of businesses**

28 pp
Field research

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

Mishina, K
Harvard Business School Publishing

On 1 May, 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.

Georgetown, KY; Autos; Large, 4,000 employees, \$1-5 billion revenues; 1992

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

22 pp
Field research
5-693-046 (25 pp)

**9-597-028
TWEETER ETC**

Gourville, JT
Wu, G
Harvard Business School Publishing

In the early 1990s, Tweeter etc, a small regional retailer of higher-end audio and video equipment, faced increasing competitive pricing pressures from several large regional and national consumer electronics chains. In response, in 1993, they introduced Automatic Price Protection (APP) as the cornerstone of a strategy to restore price credibility in the minds of consumers. Under APP, Tweeter monitored local newspaper ads and automatically mailed a refund check to a consumer if an item purchased at Tweeter was advertised for a lower price by a competitor. Three years later, in 1996, Tweeter is questioning the impact of APP on their current competitive positioning. More importantly, with the pending entry of another major discount chain, Tweeter is forced to question how effective APP will be in a market increasingly dominated by large discount retailers. Introduces the concept of price signalling in a retail environment, while demonstrating the multifaceted nature of product pricing.

**Competition
Electronics
Home entertainment equipment
Marketing strategy
Pricing
Retailing**

24 pp
Field research
5-597-082 (16 pp)

**504-009-1
UNILEVER IN BRAZIL: MARKETING
STRATEGIES FOR LOW-INCOME
CONSUMERS**

Chandon, P
Pacheco Guimaraes, P
INSEAD

Unilever is a solid leader in the Brazilian detergent powder market with an 81% market share. Laercio Cardoso must decide: (1) whether Unilever should divert money from its premium brands to target the lower-margin segment of low-income consumers; (2) whether Unilever can reposition or extend one of its existing brands to avoid launching a new brand; and (3) what price, product, promotion, and distribution strategy would allow Unilever to deliver value to low-income consumers without cannibalising its own premium brands too heavily. This case deals with the question of whether marketing and branding create value for really poor consumers. It can therefore be used in an MBA, executive education or undergraduate core course on marketing management to illustrate the value of marketing and the marketing approach, or in a brand management course to explore the frontiers of branding. This case can also be used in a consumer behaviour course to examine the motivations and decision-making process of low-income consumers. Alternatively, it can be used in a global marketing or global strategy and management course to study the way multinational companies adapt their strategy to compete in emerging countries. The case and teaching note contain colour exhibits. **EFMD Case of the Year Award Category Winner 2004**

Brazil; Home and personal care; US\$56 billion; 1996-2004

**Marketing
Branding
Low-income consumers
Poverty
New product introduction
Break-even analysis
Advertising
Pricing**

24 pp
Field research
504-009-8 (35 pp)
504-009-9 (CD-ROM)

9-384-185
VALUATION TECHNIQUES Note

Roberts, M
Stevenson, H
Harvard Business School Publishing

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

Entrepreneurship
Valuation

8 pp

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

Larreche, JC
Denoyelle, P
INSEAD

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 Awards Overall Winner 1996**

UK, international; Airlines; 1994

Marketing
Services
Value
Delivery
Entrepreneurship
Public relations
Leadership
Pricing

37 pp
Field research
595-023-8 (29 pp)

9-504-028
VIRGIN MOBILE USA: PRICING FOR THE VERY FIRST TIME

McGovern, G
Harvard Business School Publishing

Dan Schulman, the Chief Executive Officer of Virgin Mobile USA, must develop a pricing strategy for a new wireless phone service targeted toward consumers in their teens and twenties, many of whom are believed to have poor credit quality and uneven usage patterns. Contrary to conventional industry wisdom, Schulman is convinced that he can build a profitable business based on this underrepresented target segment. The key is pricing. Schulman is currently debating three pricing options: (1) adopting a pricing structure that is roughly equivalent to the major carriers, (2) adopting a similar pricing structure, but with actual prices below the major carriers; or (3) coming up with a radically different pricing structure. With respect to the third option, Schulman is considering various alternatives, including a reliance on prepaid (as opposed to post-paid) plans and the total elimination of contracts. Includes color exhibits.

United States; Cellular communications; 200 employees, \$5.2 billion revenues; 2002

Market segmentation
Pricing
Pricing strategy
Target markets
Telecommunications

19 pp
Field research
5-504-108 (20 pp)

9-794-024
WAL-MART STORES, INC

Foley, S
Bradley, SP
Ghemawat, P
Harvard Business School Publishing

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?

United States; Retail; Large, 440,000 employees, \$68 billion revenues; 1994
Competition
Discount department stores
Industry structure
Retailing
Strategy formulation
Strategy implementation

22 pp
Published sources
5-395-225 (7 pp)

303-119-1
WHEN OLD DOGS LEARN NEW TRICKS: THE LAUNCH OF BBC NEWS ONLINE

Kung-Shankleman, L
University of St. Gallen

This case concerns the launch of the British Broadcasting Corporation's (BBC) highly successful Internet service, BBC News Online. It is designed to sensitise students to the complexities and challenges of strategic change - even when successful - in established firms. BBC News Online was a success from the start. It achieved instant resonance with its intended market and quickly developed into one of the UK's leading content-only sites, with growth far outstripping UK Internet penetration. From many perspectives this is surprising. Better funded commercial peers were experiencing problems with their Internet businesses, and the BBC was renowned as a bureaucratic organisation. But external success masked difficult internal growth processes. News Online began as a classic start-up: staffed by a small enthusiastic team, it had a positive culture and operated independently. However within 18 months this situation turned malign as internal systems and structures were outgrown and staff became burned-out. A new project leader solves these problems and the unit matures into a successful operation. But success brings complexity: editorial complexity from the increase in pages and foreign language sites, technological complexity from the emergence of new media platforms. At the close, Richard

Sambrook, Controller of BBC News, faces a central dilemma: where to position News Online within BBC News. Autonomy means it can remain a creative and cohesive organisation that can respond flexibly to the market. Integration will allow the learning that has been achieved to flow to the rest of the organisation - but risks damaging all that is special in the way it operates.

UK, London; Media; 22,000 employees; 1997-2002

**British Broadcasting Corporation
BBC
Media industry
Internet
Strategic change
Technological change
Leadership
Culture
Cognition
Creativity**

21 pp
Field research
303-119-8 (10 pp)

**9-498-045
WOLFGANG KELLER AT
KONIGSBRAU-HELLAS (A)**

Gabarro, JJ
Harvard Business School Publishing

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

Europe; Beer; Mid-size, \$100 million sales

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

18 pp
Field research
5-400-069 (20 pp)

**IMD-3-0875
WWW.EASYRENTACAR.COM**

Kumar, N
Rogers, B
*IMD - International Institute for
Management Development*

In April 2000, Stelios Haji-Ioannou launched easyRentacar, his latest Internet-based business. EasyRentacar

was just one of several companies operating under the UK-based parent company, easyGroup, which also manages easyJet airlines and easyEverything, a chain of Internet shops. Stelios, chairman and owner of easyGroup, was a charismatic and wealthy entrepreneur known for his down to earth, 'no frills' style that had come to exemplify the easy brand. After signing a deal with DaimlerChrysler to lease 5,000 of its Mercedes A-Class vehicles, Stelios entered the rental car business dominated by companies, such as Budget, Avis and Hertz, that had formed a cartel that fed off the corporate client. He aimed to provide a low-cost alternative for consumers who paid out of their own pockets. The easyRentacar case illustrates how Stelios has once again entered a new business with the goal of re-defining the existing industry business model to add shattering value for the customer. Instructors should note that easyRentacar is the third case in a series that includes 'easyJet: The Web's Favourite Airline' (IMD-3-0873), and 'easyEverything: The Internet Shop' (IMD-3-0874).

Europe; Car rental; < 100 employees; 2000

**Internet
Entrepreneurship
Industry analysis**

3 pp
Field research
IMD-3-0875-T (11 pp)

**303-074-1
XELIBRI: A SIEMENS MOBILE
ADVENTURE**

Kaufmann, L
Clemens, F
Hagen, H
Hedderich, F
Sassmann, H
*WHU - Otto Beisheim Graduate School
of Management*

This case study is situated in the mobile communication devices industry and presents the launch of a new mobile phone brand of Germany's Siemens AG, under the brand name Xelibri, in 2002. Xelibri's objective was to develop a fashion-based value proposition in the mobile phone market. The story is centered on 34-year-old George Appling, President of Xelibri, who had been hired from McKinsey & Company to conceive a comprehensive strategy for creating a new product category in the saturated

mobile phone market. At the time of the case, first steps to introduce this new product category have already been taken, while other issues, such as pricing, are open for discussion and shall be resolved by the students. To provide them with background information, the case study gives a description of the development of the mobile phone market and Siemens' position in it. It also gives an overview of the importance of Xelibri's performance for Siemens' mobile phone business and explains the initial steps to set up the new operation. The teaching note supplement is a PowerPoint presentation given during the case writing seminar.

Germany; Mobile communication device industry; Euros 84,016 million net sales, 426,000 employees; 2003

**Marketing
Brand management and branding
Europe, Germany market entry
Innovation, entrepreneurship
Entrepreneurial management
International management and international business
General management and strategy
Product management and pricing
Choice of distribution channels
Fashion, telecommunication and mobile phone
Strategy implementation
Competition and competitive strategy
Industry analysis
New product category**

18 pp
Field research
303-074-8 (19 pp)
303-074-9 (CD-ROM)

**592-045-1
ZANTAC (A)**

Angelmar, R
Pinson, C
INSEAD

The case describes the development, worldwide launch, and subsequent marketing of a new pharmaceutical product which, although it represented only a slight improvement over the category pioneer, not only became the leading product in its category, but the largest prescription pharmaceutical product overall worldwide. Its success propelled Glaxo, the company which developed and marketed the product from the minor leagues to the top rank in the pharmaceutical industry. There is also

a (B) case available (594-011-1). There are French (F592-045-1), German (D592-045-1) and Japanese (J592-054-1) translations of this case available. This case contains colour exhibits. **ecch European Case Awards Category Winner 1994 and ecch European Case Awards Overall Winner 1998**

UK; Pharmaceutical; Large; 1989-1992

**Marketing strategy
Global marketing
Product life cycle
Competitive strategy**

46 pp
Field research
592-045-8 (24 pp)

**603-002-1
ZARA**

Domiguez Machuca, JA
University of Sevilla
Ferdows, K
Georgetown University
Lewis, M
The 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. A Spanish translation is available

(E603-002-1). **ecch European Case Awards Category Winner 2005**

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 research
603-002-8 (21 pp)
603-002-9 (CD-ROM)

**9-703-497
ZARA: FAST FASHION**

Ghemawat, P
Nueno, J
Harvard Business School Publishing

Focuses on Inditex, an apparel retailer from Spain, which has set up an extremely quick response system for its ZARA chain. Instead of predicting months before a season starts what women will want to wear, ZARA observes what's selling and what's not and continuously adjusts what it produces and merchandises on that basis. Powered by ZARA's success, Inditex has expanded into 39 countries, making it one of the most global retailers in the world. But in 2002, it faces important questions concerning its future growth.

**Clothing industry
Competitive advantage
Fashion
Globalization
Growth strategy
Market selection
Retailing industry
Spain
Supply chain
Time based competition
Vertical integration**

35 pp
Field research
5-703-496 (21 pp)

**9-604-081
ZARA: IT FOR FAST FASHION**

Sjoman, A
Dessain, V
McAfee, AP
Harvard Business School Publishing

In 2003, Zara's CIO must decide whether to upgrade the retailer's IT infrastructure and capabilities. At the time of the case, the company relies on an out-of-date operating system for its store terminals and has no full-time network in place across stores. Despite these limitations, however, Zara's parent company, Inditex, has built an extraordinarily well-performing value chain that is by far the most responsive in the industry. Describes this value chain, concentrating on its operations and IT infrastructure. The teaching purpose is to show how one company makes brilliant use of multiple information channels: subjective and objective; qualitative and quantitative; and phone, face-to-face, e-mail, and modem. Also, to highlight the inside-out approach to selecting IT. The question Zara always asks about IT is not 'What can we do?' but 'What do we need to do?' and to demonstrate how information and IT support a business model.

**Clothing industry
Computer networks
Information technology
Operations management
Production
Retailing
Supply chain
Vertical integration**

23 pp
Field research
5-604-104 (5 pp)



the case for learning

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