This bibliographical supplement presents the best-selling cases from the ecch catalogue during 2010. It incorporates abstracts and full bibliographical details such as setting, topics and details of any teaching note. Visit the ecch website at www.ecch.com/bibs to view and download a pdf version of the bibliography.

Cases are listed under ten major subject categories, each with its own entry. Within each subject category, cases appear alphabetically by title. 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)

How to use the case bibliography

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.
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ecch Case Awards 2011

Overall winner
9-710-467
APPLE INC IN 2010
David B Yoffie and Renee Kim
Harvard Business School

Economics, Politics and Business Environment
9-910-410
PHILIPS VERSUS MATSUSHITA: THE COMPETITIVE BATTLE CONTINUES
Christopher A Bartlett
Harvard Business School

Entrepreneurship
9-808-128
FACEBOOK'S PLATFORMS
Mikolaj Jan Piskorski, Thomas R Eisenmann, David Chen and Brian Feinstein
Harvard Business School

Ethics and Social Responsibility
9-906-414
IKEA'S GLOBAL SOURCING CHALLENGE: INDIAN RUGS AND CHILD LABOR (A)
Christopher A Bartlett, Vincent Dessain and Anders Sjöman
Harvard Business School

Finance, Accounting and Control
A07-08-0008
SOUTHWEST AIRLINES 2008
Andrew C Inkpen
Thunderbird School of Global Management

Human Resource Management / Organisational Behaviour
408-083-1
RICHARD MURPHY AND THE BISCUIT COMPANY (A)
Michael Jarrett and Kyle Ingram
London Business School

Knowledge, Information and Communication Systems Management
909-018-1
KNOWLEDGE MANAGEMENT INITIATIVES AT IBM
Vivek Gupta, Indu Perepu and Sachin Govind
IBS Center for Management Research

Continued overleaf
Marketing

IMD-5-0702  
XIAMETER: THE PAST AND FUTURE OF A 'DISRUPTIVE INNOVATION'
Kamran Kashani and Inna Francis  
IMD

Production and Operations Management

IMD-6-0315  
LEGO: CONSOLIDATING DISTRIBUTION (A)
Carlos Cordon, Ralf W Seifert and Edwin Wellian  
IMD

Strategy and General Management

9-910-036  
GOOGLE INC.
Benjamin Edelman and Thomas R Eisenmann  
Harvard Business School

Case writing competition ‘Hot topic’: Renewable and sustainable energy, technology and development

IMD-4-0302  
PLAYING TO WIN: LEADERSHIP AND SUSTAINABILITY AT ESB ELECTRIC UTILITY
George Kohlrieser, Francisco Szekely and Sophie Coughlan  
IMD

Case writing competition: New case writer

110-062-1 and 110-063-1  
TANGO vs VICTOR (A & B)
Franco Quillico and Gregory Moscato  
International University of Monaco

Outstanding contribution to the case method

Professor Kamran Kashani  
IMD

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Case method and specialist management disciplines

9-673-057
BENIHANA OF TOKYO
Sasser Jr, WE
Klug, JR
Harvard Business 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.

17 pp
Field research
5-696-021 (10pp)

9-894-011
COLONIAL BROADCASTING COMPANY
Wu, G
Harvard Business Publishing
Colonial Broadcasting Co (CBC), a major American television network, must determine whether fact-based television movies garner higher Nielsen ratings than movies based on fictional concepts. Furthermore, CBC must decide whether to accept a fixed fee advertising contract or a sliding scale contract. Illustrates how regression can be used to determine the relative merits of two different types of television movies and for evaluating two different advertising contracts.

Decision making
Forecasting
Regression analysis
9 pp
Generalised experience
5-896-040 (10pp)

9-693-013
EURO DISNEY: THE FIRST 100 DAYS
Schlesinger, L
Loveman, G
Anthony, RN
Harvard Business Publishing
The Walt Disney Co theme parks historically have thrived on the basis of a formula stressing excellent customer service and a magnificent physical environment. The formula has proven successful in Japan, as well as the United States. With the controversial opening of Euro Disney in France, however, there has become reason to doubt the international appeal of the formula. The case documents issues involved with Euro Disney. Examines the transferability of a successful service concept across international boundaries.

Paris, France; Entertainment; Large, employees 16,000, $1 billion revenues; 1992
Entertainment industry
France

9-803-069
FOUR SEASONS GOES TO PARIS: '53 PROPERTIES, 24 COUNTRIES, 1 PHILOSOPHY'
Hallowell, R
Bowen, D
Knoop, CI
Harvard Business Publishing
Illustrates how Four Seasons manages hotels in countries with strong and distinct national cultures. Focuses on how the chain meets its exacting service standards in a variety of settings worldwide, with special attention on France. The teaching purpose is to explore the role of organizational values and culture in a global strategy, leading to the development of a framework illustrating what differs and what remains constant in a service organization across multiple national settings.

France
Globalization
Hotels and motels
Human resources management
Organizational behavior
Service management
Values
24 pp
Field research
5-803-173 (9pp)

9-181-027
FREEMARK ABBEY WINERY
Krasker, WS
Harvard Business Publishing
Freemark Abbey must decide whether to harvest in view of the possibility of rain. Rain could damage the crop but delaying the harvest would be risky. On the other hand, rain could be beneficial and greatly increase the value of the resulting wine. This decision is further complicated by the fact that ripe Riesling grapes can be vinified in two ways, resulting in two different styles of wine. Their relative prices would depend on the uncertain preference of consumers two years later, when the wine is bottled and sold.

Building materials industry
Contracts
Eastern Europe
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.
9-694-023
SOUTHWEST AIRLINES: 1993 (A)
Hallowell, R
Heskett, JL
Harvard Business Publishing
Southwest Airlines, the only major US airline to be profitable in 1992, makes a decision as to which of two new cities to open, or to add a new long-haul route. Provides windows into Southwest’s strategy, operations, marketing, and culture.

Texas; 1993
Corporate strategy
Operations research
Service management
29 pp
Field research

9-601-163
THE RITZ-CARLTON HOTEL COMPANY
Sucher, SJ
McManus, SE
Harvard Business 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 (28pp)

9-801-393
TO HELL WITH THE FUTURE, LET’S GET ON WITH THE PAST: GEORGE MITCHELL IN NORTHERN IRELAND
Sebenius, JK
Curran, DF
Harvard Business Publishing
Examines the strategies and tactics used by US Negotiator George Mitchell during his two-year tenure as chairman of the all-party talks in Northern Ireland. His efforts culminated in the signing of the historic Good Friday Accords.

Northern Ireland; 1996-1998
International relations
Negotiations
Policy making
46 pp
Published sources

9-910-419
SOUTHWEST AIRLINES: IN A DIFFERENT WORLD
Heskett, JL
Sasser, E
Harvard Business Publishing
This is the fourth in a 35-year series of HBS cases on an organization that has changed the rules of the game globally for an entire industry by offering both differentiated and low-price service. The focus of the case is on whether Southwest Airlines should buy gates and slots to initiate service to New York’s LaGuardia airport, which does not fit the airline’s profile for cost, ease of service, and other factors. The bigger issue is how the organization should deal with competition that has successfully emulated more and more of what it does in an operating environment that has changed significantly. Hence the subtitle, which was suggested by Herb Kelleher, Southwest’s Chairman and CEO, Emeritus.

New York, Texas; 35,000 employees, gross revenue $10 billion; 2008
Operations
Service management
16 pp
Field research
5-910-426 (10pp)

9-895-006
TOMASZ BUDZIAK Supplement
Holle, A
Wu, G
Harvard Business Publishing
Provides private information for students assuming the role of Tomasz Budziak in a simulated negotiation of the sale of Cementownia Odra.

Building materials industry
Contracts
Eastern Europe
Negotiations
Privatization
7 pp
Field research
5-895-008 (34pp)

9-801-393
TO HELL WITH THE FUTURE, LET’S GET ON WITH THE PAST: GEORGE MITCHELL IN NORTHERN IRELAND
Sebenius, JK
Curran, DF
Harvard Business Publishing
Examines the strategies and tactics used by US Negotiator George Mitchell during his two-year tenure as chairman of the all-party talks in Northern Ireland. His efforts culminated in the signing of the historic Good Friday Accords.

Northern Ireland; 1996-1998
International relations
Negotiations
Policy making
46 pp
Published sources
Economics, Politics and Business Environment

9-792-060
ACID RAIN: THE SOUTHERN COMPANY (A)
Reinhartd, FL
Harvard Business Publishing
The Southern Co, an electric utility, is planning its compliance with the 1990 amendments to the Clean Air Act. The Act established a system of tradeable permits for sulfur dioxide emissions. The company must decide whether to install pollution control equipment and generate excess permits for sale to other firms, or to emit larger quantities of sulfur dioxide, save capital costs, and purchase pollution permits. Can be used to teach discounted cash flow analysis of a make versus buy decision. Also raises issues of expected cost minimization, questions of economic and political uncertainty, and the value of flexibility.

United States; Electric utilities; Large, $8 billion revenues; 1992
Buy or make decisions
Electric power
Environmental protection
Financial management
Financial planning
Pollution control
Public utilities
Rates of return
7 pp
Field research
5-794-043 (25pp)

9-707-031
BRAZIL UNDER LULA: OFF THE YELLOW BRIC ROAD
Musacchio, A
Gilbert, C
Amorim, T
Harvard Business Publishing
Covers President Lula’s challenges to reduce ‘Brazil cost’ and grow like other BRIC countries (Brazil, Russia, India, and China). Experts agreed that for Brazil to grow like other BRIC countries, the Brazilian government would have to reduce the cost of doing business in the country (‘Brazil cost’). At the same time, President Lula’s challenge is to develop programs that accelerate growth without undermining the progress achieved in reducing inequality and poverty. Can the Brazilian government reverse inequality and grow at the same time? What development strategy should Lula follow in his second term? Does Brazil belong in BRIC? What do these countries have in common?

Brazil; 2001-2006
Macroeconomics
Business conditions
Economic development
International trade
25 pp
Field research
5-708-049 (19pp)

9-797-085
ENRON DEVELOPMENT CORPORATION: THE DABHOL POWER PROJECT IN MAHARASHTRA, INDIA (A) (Abridged)
Wells, LT
Harvard Business Publishing
A large, lucrative power plant is negotiated for construction/operation by an American power company in India’s evolving privatized power sector. The process of incorporating the project is captured in this case. The American company will own and operate the plant in India, which will sell power to India.

Business government relations
Energy
India
Management of change
Market entry
Natural gas
Negotiations
Privatization
15 pp
Field research

9-700-047
HITTING THE WALL: NIKE AND INTERNATIONAL LABOR PRACTICES
Spar, DL
Burns, JL
Harvard Business Publishing
In the mid-1990s Nike, one of the world’s most successful footwear companies, is hit by a spate of alarmingly bad publicity. After years of high-profile media attention as the company that can ‘just do it’, Nike is suddenly being portrayed as a firm that relies on low-cost, exploited labor in its overseas plants. Nike officials vigorously deny the charges, claiming that Nike has no control over the independent contractors who manufacture Nike shoes. But the activists will not retreat. Eventually, Nike must learn to deal with the activists’ claims and with the tangle of conflicting data that surrounds the concept of a ‘fair’ or ‘living’ wage.

United States, Indonesia, Vietnam; 16,000 employees, gross revenue: $9 billion revenues; 1991-1999
Labor relations
Developing countries
Business government relations
Activists
PRET IN ENGLAND
International operations
Ethics
Wages and salaries
Working conditions
23 pp
Published sources
5-701-020 (13pp)

9-704-040
JOURNEY TO SAKHALIN: ROYAL DUTCH/ SHELL IN RUSSIA (A)
Abdelal, R
Harvard Business Publishing
Operations of Royal Dutch/Shell in Russia included a strategic alliance with Gazprom, the country’s natural gas monopoly, the development of the Salym oil fields in Siberia, and a small retail refilling network in St Petersburg. Focuses on the Sakhalin II project. Sakhalin II is the reason for the existence of the Sakhalin Energy Investment Company (SEIC), owned by Royal Dutch/Shell (55%), Mitsui (25%), and Mitsubishi (20%). Worth approximately $10 billion, the second phase of Sakhalin II would be the single largest investment decision in the history of Royal Dutch/Shell, as well as the single largest foreign direct investment in Russia’s history. Sakhalin II would also be the largest integrated oil and gas project in the world. The project, however, faces a number of challenges, however. A production sharing agreement (PSA) - a commercial contract between the foreign investor and a host government that replaces the country’s tax and license regimes for the life of the project - governs Sakhalin II. Although Sakhalin II’s PSA enjoys the status of Russian law, other Russian laws conflict with the terms of the PSA. PSAs have also become controversial within Russia. After several years of waiting in vain for ‘legal stabilization’, Shell and SEIC executives must decide whether the project should go forward.

Russia; Energy; 90,000 employees, $236 billion revenues; 1991-2003
Energy
Foreign investment
Globalization
Strategic alliances
27 pp
Field research

9-706-013
JOURNEY TO SAKHALIN: ROYAL DUTCH/ SHELL IN RUSSIA (B)
Supplement
Abdelal, R
Tarsis, I
Harvard Business Publishing
Focuses on the Sakhalin II project. Sakhalin II is the reason for the existence of the Sakhalin Energy Investment Company (SEIC), owned by Royal Dutch/Shell (55%), Mitsui (25%), and Mitsubishi (20%). Worth approximately $10 billion, the second phase of Sakhalin II would be the single largest investment decision in the history of Royal Dutch/Shell, as well as the single largest foreign direct investment in Russia’s history. Sakhalin II would also be the largest integrated oil and gas project in the world. The project, however, faces a number of challenges, however. A production sharing agreement (PSA) - a commercial contract between the foreign investor and a host government that replaces the country’s tax and license regimes for the life of the project - governs Sakhalin II. Although Sakhalin II’s PSA enjoys the status of Russian law, other Russian laws conflict with the terms of the PSA. PSAs have also become controversial within Russia. After several years of waiting in vain for ‘legal stabilization’, Shell and SEIC executives must decide whether the project should go forward.

Russia; Energy; 90,000 employees, $236 billion revenues; 1991-2003
Energy
Foreign investment
Globalization
Strategic alliances
27 pp
Field research

9-707-003
JOURNEY TO SAKHALIN: ROYAL DUTCH/ SHELL IN RUSSIA (C)
Supplement
Abdelal, R
Vandamme, MN
Harvard Business Publishing
Must be used with: (9-704-040) Journey to Sakhalin: Royal Dutch/Shell in Russia (A).
Energy
Foreign investment
Globalization
Strategic alliances
4 pp
Published sources
5-706-067 (20pp)

9-910-410
PHILIPS VERSUS MATSUSHITA: THE COMPETITIVE BATTLE CONTINUES
Bartlett, CA
Harvard Business Publishing
Describes the development of the global strategies and organizations of two major competitors in the consumer electronics industry. Over four decades, both companies adapt their strategic intent and organizational capability to match and counter the competitive advantage of the other. The case shows how each is faced to restructure as its competitive advantage erodes.

Europe; 120,000 / 300,000 gross revenue; $30 billion / $90 billion; 1970 to 2009
Global business
International business
Organizational structure
Core competencies
Competition
Execution
Strategy
20 pp
Field research
5-910-411 (15pp)
9-703-040
SINGAPORE, INC
Vietor, RH
Thompson, EJ
Harvard Business Publishing
In early 2003, Prime Minister Goh Chok Tong is assessing Singapore's development strategy - tax cutting combined with an industrial policy focused on six 'clusters,' including biomedical sciences. After 36 years of stupendous growth, Singapore has slowed down and faces intense competition in exports and foreign direct investment, especially from China. Is its new strategy the right choice? This case examines several key aspects of Singapore's growth, including organizational / cultural arrangements, the savings / investment balance, and total factor productivity growth. May be used with: (9-794-051) 'Accounting for Productivity Growth'.
Singapore; 3.2 million population, US$85 billion revenues; 2001-2002
Country analysis
Economic development
Globalization
Industrial policy
Macroeconomics
Productivity
27 pp
Field research
5-703-049 (11pp)

AD-0268-E
STEPHEN’S T-SHIRTS
Arino, MA
IESE Business School
A family firm that produces and sells printed T-shirts at events and festivals in mid-sized towns must decide how many T-shirts to produce for an upcoming event. Three possible scenarios are defined, each with a different probability. This case was previously numbered 602-074-1.
Decision analysis
Production
Uncertainty
2 pp

IMD-2-0070
THE BRENT SPAR PLATFORM CONTROVERSY (A)
Steger, U
Killing, P
Schweinsberg, M
Winter, M
IMD
This is the first of a three-case series (IMD-2-0070 to IMD-2-0072). In April 1995 Greenpeace boarded a Shell oil platform named 'Brent Spar' in the North Sea to protest its scheduled disposal in the Atlantic. This action took the operator Shell Expro (a joint venture between Shell and Esso) totally by surprise, as this was the first protest of any kind that Shell management had encountered. The case describes the reasons why Shell wanted to dispose of the Brent Spar Platform in the deep sea and why Greenpeace rejects these plans.
Germany, UK, Netherlands; Oil; Multinational; April 1995
Stakeholder management
Crisis management
Environment
15 pp
Published sources
IMD-2-0070-T (8pp)

IMD-2-0071
THE BRENT SPAR PLATFORM CONTROVERSY (B)
Steger, U
Killing, P
Schweinsberg, M
Winter, M
IMD
This is the second of a three-case series (IMD-2-0070 to IMD-2-0071). The protest of Greenpeace against the deep-sea disposal of the Brent Spar leads to a major consumer boycott against Shell. Within weeks, Shell suffered a significant loss of market share in Central Europe and faced protests from the highest political leaders across Europe. Despite all this Shell continues towing the platform to its planned disposal site in the Atlantic. Meanwhile at sea strong fights are taking place between Shell and Greenpeace.
Germany, UK, Netherlands; Oil; Multinational; April 1995
Stakeholder management
Crisis management
Environment
13 pp
Published sources
IMD-2-0070-T (8pp)

9-700-135
THE GERMAN FINANCIAL SYSTEM IN 2000
Schaede, U
Harvard Business Publishing
Describes the evolution and current situation of Germany's financial system. Based on a discussion of the German economy in the post-war period, the case highlights the impact of financial globalization and EU policies on Germany's domestic system of banking and finance, corporate governance, and banking regulation.
Banking industry
Business government relations
Deregulation
Germany
Regulation
26 pp
Published sources
5-700-139 (15pp)

197-006-1
WILL BIDDIFORD’S TRAMS MAKE A RETURN?
Rickard, S
Cranfield School of Management
The purpose of this case study is to demonstrate how a basic understanding of demand and cost curves can aid fundamental business decisions.
United States; Transport; Small; 1997
Demand
Costs
Elasticity
Price discrimination
Profits
Fixed costs
Variable costs
8 pp
Generalised experience
Entrepreneurship

808-035-1
BEYOND PRODUCTS
Manigart, S
Vlerick Leuven Gent Management School

Peter Van Riet, a young entrepreneur and enthusiastic snowboarder, has developed a revolutionary snowboard binding for which he holds patent rights in Europe and the USA. A first prototype has already been successfully tested. His business and marketing plan show that there is room for a new binding, introduced on the fragmented snowboard binding market by a small and young company. He targets the European and North-American markets in the first place, expanding to a global brand as the company takes off. He will mainly sell through smaller national distributors. His goal is to develop the company over time into a full-fledged snowboard branch, not only offering bindings but also clothing and accessories. Having invested all his time and savings of approximately £350,000 in product development, patent rights and initial marketing expenses, he is currently looking for a £300,000 cash investment by a syndicate of four business angels who he has found through a local business angel network. This money is needed for further product development, prototyping and testing, and for marketing and sales. The key issues that he cannot resolve is what equity percentage would be fair to the business angels, without diluting the founders’ position too much and also compensating them honestly for their efforts until now? In order to answer this question, he has developed a full financial plan with profit and loss, and cash flow statements. Moreover he has gathered information on the relative valuation of quoted companies in the sports apparel business.

Belgium; Sports apparel; Small (start-up); 2006

Financing
Start-up
Business angels
Valuation
Equity stake
High tech
Snowboard bindings
Investment

9 pp
Field research
808-035-8 (8pp)

9B08M041
CORAL DIVERS RESORT (REVISED)
Beamish, PW
Neupert, KE
Schotter, A
Richard Ivey School of Business

The owner of a small scuba diving operation in the Bahamas is reassessing his strategic direction in the light of declining revenues. Among the changes being considered are shark diving, family diving, exit, and shifting operations to another Caribbean location. These options are not easily combined, nor are they subtle. The case is intended to provide a work-out on the relationship between strategy, organization and performance, and how changes in strategy will dramatically affect the organization. The case also highlights the importance of understanding demographic changes as part of an environmental analysis. (A nine-minute video can be purchased with this case, video 7B08M041.)

Bahamas; Miscellaneous services; Small; 2008

Strategic change
Services
Small business
Industry analysis

19 pp
Published sources
8080M41 (14pp)

804-071-1
CUMBERLAND ENTERTAINMENT (A): EXPANDING WITH PRIVATE EQUITY?
Zott, C
Leland, A
INSEAD

This is the first of a four-case series (804-071-1 to 804-074-1). Cumberland Entertainment, a niche music producer, was looking for capital to finance its planned expansion. CEO Tom Smith entered into negotiations with private equity firms, and struck an agreement that turned out to be incomplete. As a result, serious problems arose between financial investors and management. The case series describes how the parties dealt with these problems as their relationship evolved. The teaching objectives are: (1) to highlight and analyse the dynamic nature of entrepreneur-venture capitalist relationships, and to address some of the key issues that might arise over time (eg, how to share risk, when and how to exit); and (2) to compare and analyse offers from different private equity firms, as well as different offers from the same firm made in the course of negotiations.

Canada; Music production and distribution; CAD$27 million (approx 15 million euros) annual revenues; 1999-2004

Private equity
Entrepreneurship
Expansion financing
Term sheet
Valuation
Exit

7 pp
Field research
804-071-8 (19pp)
This is the first of a two-case series (807-016-1 and 807-017-1). ‘Could you turn the light on?’ Adam Balon asked his colleague Jon Wright. Wright, Balon and their friend Richard Reed had assembled in Balon’s office at Virgin Cola to begin drafting the plan for their business venture, a new brand of fresh fruit smoothie drinks. It was a typical English late summer afternoon - heavily overcast, with the promise of rain. In the steadily increasing gloom it was becoming impossible to read the mass of data gathered on the desk in front of them. ‘You think we need to cast light on the problem?’ joked Reed. In truth, each of the three knew it would take more than electricity to illuminate the difficulties that confronted them. They had been researching their idea for almost six months, and at the outset they had set themselves some ambitious goals. ‘The quality of our closest rivals’ product is not as good as you would make at home, nor as good as the smoothies you can buy in the USA,’ they had said to one another. ‘We’ll beat them on taste, and match them on price.’ But the three friends’ analysis now seemed to show that if they stuck to those targets they would struggle to meet a third, no less crucial, objective: ‘If you’re going to survive you’ll need to hit gross margins of 40 percent – that’s the standard for the FMCG (fast moving consumer goods) sector,’ a senior colleague of Wright’s at Bain, the management consultancy, had told them early on. But every time that Wright had run a spreadsheet model, the message had seemed to be the same: they would not be able to achieve their financial goals and remain true to their other aspirations. This left the three with some stark choices. Should they plan to increase price, or lower quality? Or was there another solution to enable them to get this business off the ground?

UK; 1998
Entrepreneurship
Business plans
Entrepreneurial finance
Entrepreneurial marketing
20 pp
Field research

807-052-1
HERAEUS: FAMILY GOVERNANCE FOR A GLOBAL COMPANY
Eiben, J
May, P
Dieterich, K
Fellhauer, S
Franke, A
Bernier, JF
WHU Otto Beisheim School of Management

This case covers the process of establishing a family constitution for one of the biggest German entrepreneurial families, owning the Heraeus Holding group of companies. Students have to analyse possible sources of conflict due to family ownership, suggest a possible design for the process of establishing a family constitution (format, involved persons, timeframe) as well as evaluating possible solutions regarding the upcoming succession in the company’s management as the family member currently in office approaches retirement. The case targets undergraduate business school students in their last year of studies as well as young family business owners who are interested in what issues they might be facing in the family context of their business. With this case, the students will learn the difference between the management of a family and non-family business. The case introduces them to the challenges of business strategy and the success factors in handling family dynamics such as decisions regarding succession. With this case family business owners can learn important management lessons that help them in their strategic decision-making process and prepare them for possible developments in their own business. Classes in which this case can be applied ideally are introductory lectures on family business management or general corporate governance classes. This case can also be applied in an organisational theory and a principal-agent and stewardship context, as there is the possibility to discuss and focus on the incentive problem for different types of managers, namely external ones or family members.

Germany; Precious metals, hightech; 8.3 billion euros; September 2006
Succession
Corporate governance
Family governance
Family-owned company
Family dynamics
Strategy
Entrepreneurship
Family firm
19 pp
Field research
807-052-8 (24pp)

9809M019
IMAX: LARGER THAN LIFE
Nair, A
Richard Ivey School of Business

IMAX was involved in several aspects of the large-format film business: production, distribution, theatre operations, system development and leasing. The case illustrates IMAX’s use of its unique capabilities to pursue a focused differentiation strategy. IMAX was initially focused on large format films that were educational yet entertaining, and the theatres were located in institutions such as museums, aquariums and national parks. However, IMAX found that its growth and profitability were constrained by its niche strategy. In response, IMAX sought to grow by expanding into multiplexes. Additionally, IMAX expanded its film portfolio by converting Hollywood movies, such as Harry Potter and Superman, into the large film format. This shift in strategy was supported by the development of two technological capabilities - DMR for conversion of standard 35 mm film into large format, and DMX to convert...
standard multiplexes to IMAX systems. The shift in strategy was partially successful, but carried the risk of IMAX losing its unique reputation.

Charles Poulton, Marston’s newest Investment Executive, had been asked for his view of which of these four businesses represented the most promising entrepreneurial opportunity. He knew that rival venture capitals had been approached - Marston would need to act quickly if it wanted to get involved. It was up to Poulton to decide which one to prioritise.

London; Venture capital; Less than 10 employees; 2002
Entrepreneurship
Venture capital
Opportunity assessment
4 pp
Field research

802-014-1
PHARMA UK (A): THE TRANSDERMAL TECHNOLOGY
Birkinshaw, J
London Business School

This is the first of a two-case series (802-014-1 and 802-015-1). This case examines the decision by the UK subsidiary of Pharma (a Swiss pharmaceutical company) to develop a new technology for transmitting drugs through the skin, despite the absence of support from the parent company’s R&D labs. The issue facing the managing director of the UK subsidiary is whether to continue with the project in the face of resistance from HQ, or stop.

UK, Switzerland; Pharmaceutical; Large; 1993–1994
Multinational
Subsidiary
Entrepreneurship
7 pp
Published sources

802-015-1
PHARMA UK (B): PROPOSAL TO THE EUROPEAN MARKETING BOARD
Birkinshaw, J
London Business School

This is the second of a two-case series (802-014-1 and 802-015-1). This case focuses on the European Marketing Board of Pharma, and the decision whether to approve expenditure on the UK’s subsidiary’s transdermal technology or not.

UK, Switzerland; Pharmaceutical; Large; 1993–1994
Multinational
Subsidiary
Entrepreneurship
2 pp
Published sources

9-386-019
R&R
Stevenson, HH
Mossi, J
Harvard Business Publishing

Outlines alternative mechanisms for getting into business. Shows the means by which an experienced entrepreneur can gain control over the necessary resources in order to lower the fixed costs of business entry. Provides a mechanism for discussing the role of experience, credibility, and contacts in the development of a non-business venture.

New York; $3 billion sales; 1984
Capital costs
Entrepreneurship
Development stage enterprises
18 pp
Field research
5-386-160 (4pp)
5-389-029 (6pp)
The Ascendance of AirAsia: Building a Successful Budget Airline in Asia
Lawton, T
Doh, J
Richard Ivey School of Business

In September 2001, Tony Fernandes left his job as vice president and head of Warner Music’s Southeast Asian operations. He reportedly cashed in his stock options, took out a mortgage on his house, and lined up investors to take control of AirAsia, a struggling Malaysian airline. Three days later, terrorists destroyed the World Trade Center. Despite the negative aftermath of the 9-11 attacks, by 2003, AirAsia had demonstrated that the low-fare model epitomized by Southwest and JetBlue in the United States, and by Ryanair and easyJet in Europe, had great potential in the Asian marketplace. Now, Fernandes had to make plans to ensure that AirAsia maintained its momentum while considering the influx of new entrants into the low-fare segment of the airline industry in Asia.

Asia; Air transportation; Medium; 2001-2008
- International business
- Competitive strategy
- Strategic positioning
- Entrepreneurial business growth

16 pp
Field research
8B08M54 (8pp)

The Moral Compass: Values-Based Leadership at Infosys
Kets de Vries, MF
Agrawal, A
Florent-Treacy, E
INSEAD

This case delves into the operational details of values-based leadership. It addresses core issues including: (1) how do visionary leaders set directions and clear and visible values for the firm? (2) how do they measure performance and (3) how do they balance the needs of all stakeholders? It explains how: (1) the founding entrepreneurs stimulated innovation; (2) how knowledge and capabilities at Infosys are built from top down and bottom up; (3) how sustainability is ensured through a leadership system; and (4) how strategies for continued growth are deployed. It analyses the way behaviour and culture influence the course of an entrepreneurial organisation’s development. The teaching objectives are to discuss and understand leadership challenges, including: (1) the charismatic and architectural roles of a leader; (2) the creation and maintenance of integrated vision, values and performance expectations; (3) the creation of an environment that encourages ethical behaviour and high performance; (4) the identification of strategies for growth - specifically management of innovation and its link to leadership; and (5) transition in entrepreneurial start-ups - passing on the founders’ values in the next phase in the organisation’s life cycle.

India; Information technology; 52,000 employees, US$18 billion market capitalisation; 2006
- Leadership values
- Role models
- Entrepreneurship
- India
- Information technology (IT)
- Indian leadership styles
- Business ethics

19 pp
Field research
806-050-8 (21pp)

Zipcar: Refining the Business Model
Hart, MM
Roberts, MJ
Stevens, JD
Harvard Business Publishing

Zipcar is a start-up organized around the idea of sharing car usage via a membership organization. This case describes several iterations of the Zipcar business model and financial plan. These iterations include a very early version and a version developed just prior to the launch of the business, as well as data from the first few months of operations. Students are called on to analyze the underlying economics and business model for the venture and to discover how these assumptions are holding up as the business is actually rolled out. The teaching purpose is to understand the notion of a business model and unit economics and flow through the impact of actual operating results.

Boston, MA; Car and truck rental industry;
Start-up, $1 million revenues, 5 employees; 1999-2000
- Business models
- Business plans
- Entrepreneurship
- Financing
- Growth strategy
- Logos
- Operating costs
- Wireless technologies
- Women in business

20 pp
Published sources
5-804-060 (17pp)
5-805-152 (10pp)
**Ethics and Social Responsibility**

### 9-104-071
**ACCOUNTING FRAUD AT WORLDCOM**

Kaplan, RS
Kiron, D
Harvard Business Publishing

The principal players in WorldCom's accounting fraud included CFO Scott Sullivan, the General Accounting and Internal Audit departments, external auditor Arthur Andersen, and the board of directors. The case provides sufficient detail to allow for a full discussion of the pressures that lead executives and managers to 'cook the books'; the boundary between earnings smoothing or management and fraudulent reporting; the role for internal control systems and internal audit to prevent or rapidly detect accounting fraud; the expectations about governance processes performed by external auditors and the board of directors, and the pressure and consequences when middle managers follow orders that they know are wrong. Written from the public record, the case contains numerous quotes from an individual involved in the WorldCom fraud that were reported by the Investigative Committee and Wall Street Journal articles about several of the individuals caught up in the situation.

*United States; 60,000 employees, gross revenue: $30 billion revenues; 1999-2002*
- Organizational behavior
- Accounting policies
- Accounting procedures
- Financial statements
- Financial accounting
- Auditing
- Bankruptcy
- Leadership
- Corporate governance
- Board of directors
- Fraud
- Ethics
- Organizational culture

18 pp.
Published sources

### 710-030-1
**BLUE MONDAY**
de Bettignies, HC
Butler, C
China Europe International Business School

Alex, an expatriate sales director for the new Chinese subsidiary of a multinational pharmaceutical company is concerned about the poor sales figures. Frustrated with his sales team he tries to understand why. One of the sales reps, Anita, speaks openly about the cause of the company's failing market share and explains that local competitors pay doctors financial kickbacks and that there is no way around to do business in that industry in China. Alex knows that this is against the code of conduct and he has to take a position to motivate his team.

*China; Pharmaceutical; MNC; 2009*
- Leadership and values
- China
- Corruption
- Change management
- Ethics and values
- Code of conduct
- Kickbacks
- Cultural conflict

5 pp.
Generalised experience

### 707-009-1
**BUSINESS ETHICS AND GOVERNANCE ISSUES AT HP: THE PRETEXTING CONTROVERSY**

Gupta, V
Perepu, I

IIBS Center for Management Research

The case examines the business ethics and governance issues relating to the pretexting controversy that engulfed US based Hewlett Packard (HP) during the second half of 2006. Though the civil claims arising out of the controversy were settled, it raised several other issues pertaining to invasion of privacy, identity theft, and using pretexting to obtain confidential information. When the board of directors at HP found that highly confidential information that was discussed among the board members was being reported in detail by the press, an investigation was initiated. The investigation was carried out by a team constituted by Patricia Dunn, the then Chairperson of the board. During the probe, it was found that Keyworth, one of the directors was responsible for the information leaks. The matter was reported to the board, and one of the Directors, Tom Perkins resigned from the board, to express his displeasure about the way the investigation was carried out. He asked the HP board to disclose the details of the investigation process. HP admitted that pretexting was used to obtain the information about the source of leaks. This led to a series of investigations by several governmental agencies and the Attorney General of California on the illegal methods used by HP to carry out the probe. As a result of these investigations, Dunn and four other persons were indicted and the company paid $14.5 million to settle civil claims.

The case is structured to enable students to: (1) understand the business ethics issues arising out of the pretexting controversy at HP; (2) examine the corporate governance issues relating to the pretexting controversy at HP; (3) study the investigation process employed by HP to find the source of confidential information leaks; (4) examine the illegal / unlawful methods used during the investigations; and (5) analyse the implications of the pretexting controversy at HP. The case is aimed at MBA / PGDBA students and is intended to be part of the business ethics and corporate governance curriculum. The teaching note includes the abstract, teaching objectives and target audience, teaching approach, assignment questions, feedback of case discussion, references and suggested readings. It does not include an analysis of the case.

*US: Computer hardware; Very large; 2005-2006*
- Hewlett Packard (HP)
- Pretexting controversy
- Civil lawsuit
- Corporate governance practices
- Legal and ethical standards
- Intellectual property rights
- Identity theft
- Corporate ethics
- Privacy rights
- Protection of confidential business information
- Standards of business conduct

Kona I
9-394-060
CONFLICT ON A TRADING FLOOR (A)
Badaracco Jr, JL
Useem, J
Harvard Business Publishing
A junior salesperson on FirstAmerica Bank’s trading floor is assisting a top salesperson, Linda, on a deal to finance the construction of a new cruise ship for Poseidon Cruise Lines. While the terms of the deal are being worked out, he realizes Linda has taken advantage of the Poseidon executives’ unfamiliarity with complex financial structures to build an outrageously high profit margin into the deal. When the executives become suspicious of the prices FirstAmerica is quoting, Linda asks the protagonist to send them an intentionally misleading fax so that the deal will not be held up. Holding the personal belief that ‘before a blind man you shall not put a stumpling block,’ he does not know if he can bring himself to send the information.

New York, NY; Securities and investing; 1986
Commercial credit
Ethics
Foreign exchange
Values
1 pp
Field research
5-307-017 (13pp)
5-394-194 (7pp)

9-394-061
CONFLICT ON A TRADING FLOOR (B)
Supplement
Badaracco Jr, JL
Useem, J
Harvard Business Publishing
Supplements the (A) case. Must be used with: (9-390-060) ‘Conflict on a Trading Floor (A):’
Commercial credit
Ethics

707-007-1
‘ECOMAGINATION’ AT WORK: GE’s SUSTAINABILITY INITIATIVE
George, SS
Regani, S
IBS Center for Management Research
General Electric Company was one of the largest conglomerates in the world, with a turnover of nearly $150 billion in the fiscal year 2005. The company had interests in several areas, broadly classified into six core business units covering industrial systems, infrastructure, media, health care, consumer finance and commercial finance. In May 2005, GE launched a sustainability programme called ‘Ecomagination’, aimed at making the company a more responsible corporate citizen by balancing its economic, social and environmental objectives, and creating products that would meet the environmental challenges of the future. This case discusses the events that led to the launch of Ecomagination at GE. It describes briefly the reasons for GE’s poor corporate reputation on environmental issues in the past, and the factors that prompted the company to clean up its image in the early 2000s. The case goes on to describe the vision and objectives of Ecomagination in terms of the benefits GE expected from it. It also describes the company’s public relations exercise to create awareness about Ecomagination among consumers and environmentalists. The results of the first year of Ecomagination, which GE released in the form of its first ‘Ecomagination Report’ in May 2006, are also given. The case concludes with a commentary on the implications of sustainability to GE as well as other companies, in the light of ever-increasing environmental challenges. The case also questions whether GE, which was one of the biggest corporate polluters in the world, would be able to extend the scope of Ecomagination to make it a company-wide initiative in the future. The teaching objectives of this case are: (1) to understand the importance of environmental consciousness and sustainable objectives to large global businesses, especially in the business scenario of the early 2000s; (2) to examine the issues in implementing sustainability initiatives in a business; (3) to appreciate the importance of laying out clear and measurable goals in pursuing sustainable objectives; (4) to study the challenges in integrating companies’ social and environmental objectives with their business targets, (5) to understand the importance of top management support in ensuring commitment towards any new project; and (6) to understand the role that businesses can play in creating awareness about sustainability among consumers and political decision-makers. This case is meant for MBA / PGDBM students and is designed to be part of the ethics and social responsibility curriculum. The teaching note includes: (1) the abstract; (2) teaching objectives and methodology; (3) assignment questions; (4) analysis; (5) feedback of case discussion; and (6) suggested readings and references.

USA; Diversified; Large; 2005-2006
Ecomagination
Corporate sustainability
General Electric Co
‘Green is Green’
Kyoto Protocol
Carbon controls
Global warming
WTO (World Trade Organisation)
Eco-friendly products
GreenOrder Inc
Renewable energy sources
Public relations
Clean technologies
Emission controls
Environment Protection Agency
PCB (polychlorinated biphenyls) contamination

19 pp
Published sources
707-007-8 (11pp)

JBEE1-1CS1
FROM GRACE TO DISGRACE: THE RISE AND FALL OF ARTHUR ANDERSEN
Smith, NC
Quirk, M
NelsonJournals Publishing
In June 2002, Arthur Andersen LLP became the first accounting firm in history to be criminally convicted. The repercussions were immense. From a position as one of the leading...
professional services firms in the world, with 85,000 staff in 84 countries and revenues in excess of $9 billion, Andersen effectively ceased to exist within a matter of months. Although Andersen's conviction related specifically to a charge of obstructing justice, public attention focused on the audit relationship between Andersen and its major client, Enron Corporation, particularly the actions (and inactions) that had allowed Enron to post spectacular year-on-year earnings and profit growth. As well as examining events leading up to the demise of Andersen, the case provides an opportunity to consider the broader controversy over accounting and corporate governance practices and, more generally, the pressures found within organisations that can foster unethical conduct. The case was prepared from public sources. This case has been peer reviewed by the editorial board of the Journal of Business Ethics Education (JBBE). This case was previously numbered 704-040-1.

**Academic level:**
- Accounting ethics
- Auditing
- Conflicts of interest
- Normative ethics
- Ethical decision making
- Corporate governance
- Auditor role and responsibilities

**Published sources**
JBBE 1-1TN1 (12pp)

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**9-399-110 GUARANTY TRUST BANK PLC NIGERIA (A)**

Paine, LS
Hogan Jr, HF

*Harvard Business Publishing*

Fola Adeola, the CEO of Nigeria's Guaranty Trust Bank and one of its founders in 1991, is considering what should be done to maintain the bank's original vision and vitality in the face of its rapid growth and success in the marketplace. Known for its high ethical standards, the bank is planning to expand inside and outside Nigeria. Among Adeola's concerns is what to do about employees' insistence on underpaying their personal income taxes - a practice he regards as inconsistent with the bank's mission of being a role model for society. A rewritten version of an earlier case.

**Africa, Nigeria; Banking: 600 employees, $200 million revenues; 1996-1998**

- Africa
- Banking
- Business and society
- Business conditions
- Corporate culture
- Corporate responsibility
- Developing countries
- Ethics
- Legal aspects of business
- Organizational development

15 pp
Field research

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**9-906-414 IKEA'S GLOBAL SOURCING CHALLENGE: INDIAN RUGS AND CHILD LABOR (A)**

Bartlett, CA
Dessain, V
Sjoman, A
*Harvard Business Publishing*

Traces the history of IKEA's response to a television (TV) report that its Indian carpet suppliers were using child labor. Describes IKEA's growth, including the importance of a sourcing strategy based on its close relationships with suppliers in developing countries. Details the development of IKEA's strong culture and values that include a commitment to create a better everyday life for many people. Describes how, in response to regulatory and public pressure, IKEA developed a set of environmental policies that grew to encompass a relationship with Greenpeace and World Wildlife Fund (WWF) on forest management and conservation. Then, in 1994, Marianne Barner, a newly appointed IKEA Product Manager, is surprised by a Swedish television documentary on the use of child labor by Indian carpet suppliers, including some that supply IKEA's rugs. She immediately implements a strict policy that provides for contract cancellation if any IKEA supplier uses child labor. Then Barner is confronted by a German TV producer who advises her that he is about to broadcast an investigative program documenting the use of child labor in one of the company's major suppliers. How should she react to the crisis? How should the company deal with the ongoing issue of child labor in the supply chain?

**9-906-415 IKEA'S GLOBAL SOURCING CHALLENGE: INDIAN RUGS AND CHILD LABOR (B) Supplement**

Bartlett, CA
Dessain, V
Sjoman, A
*Harvard Business Publishing*

Supplements the (A) case. An abstract is not available for this product.

- Crisis management
- Publicity
- Developing countries
- International management
- International operations
- Ethics
- Social enterprise
- Human resources management
- Values
- Business growth
- Outsourcing
- Suppliers
- Social responsibility

13 pp
Field research
5-907-407 (17pp)

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**708-041-1 INNOCENT DRINKS: VALUES AND VALUE**

Brown, R
Grayson, D
*Cranfield School of Management*

The first part of this case deals with the development and testing of a new business idea - market research, written business plan, credibility of start-up team
- enabled by raising £230,000 through business angel financing, in return for 20% equity. The second part examines the company’s development of an open management style, its responses to environmental and social issues (responsible entrepreneurship), the way it built customer confidence in the brand and resisted early equity market floatation or trade sale. A further issue is how to preserve the integrity and authenticity of a brand whose consumers feel themselves part of the innocent family, with a stake in the product, and are anxious to protect it. The case highlights: (1) the importance of proving opportunity through good market research and consumer; (2) maintaining majority equity share holding in the hands of the entrepreneurs by reducing the start-up capital needed through sub-contracting expensive manufacturing to proven supplier(s); (3) generating favourable media publicity via low cost shoestring and viral marketing (labels, cause related marketing, vans, jazz concerts, website, blog); (4) responsible entrepreneurship through proactive management of environmental, social and ethical issues; and (5) the role of challenger brands, and the risks and opportunities when such sustainability-based brands associate with global brands are controversial for their environmental and/or social impacts. At the end of the case, innocent faces an immediate issue: with rapid growth in turnover and employee numbers in the UK and Europe, and after the furor caused by the company’s decision to sell in branches of McDonalds, what further steps should the management team take to ensure that its brand’s reputation survives intact?

**Soft drinks; 250+ employees; 1998-2008**

- **Sustainability**
- **Small business**
- **Corporate responsibility**
- **Entrepreneurship**
- **Challenger brands**
- **Viral marketing**
- **Brand identity**
- **Sustainability strategy**
- **Corporate values**
- **Entrepreneurs exiting their business**

28 pp
Field research
708-041-8 (14pp)
carbon neutral in £200 million green initiative' announcing the now famous M&S Plan A. This initiative is an ambitious environmental strategy incorporating 100 commitments in five key areas: (1) climate change; (2) waste management; (3) sustainable raw materials; (4) fairness; and (5) health. Plan A includes aims for M&S to become carbon neutral, send no waste to landfill, be a fair trading partner and help customers to live healthier lifestyles. The Plan A strategy announced in January 2007, envisaged that all these 100 targets would be realised by 2012, and would require an investment of £200 million. This strategy goes to the core of M&S's identity. As the economic downturn impacts on retail business, Richard Gillies, head of Plan A, is asked to create a business case for the different initiatives forming Plan A to move forward. Students are asked to analyse Plan A initiatives on their business value and to present their findings.

UK; Retail; 2,000 factories, 20,000 farms, 250,000 employees, sales 2007-2008 £9 billion, profit £1 billion; 2008-2009

Corporate responsibility
Sustainability
Ethics
Business case
Crisis
Reputation
Business in society
Waste
Supply chain

by BHP Billiton to address issues concerning HSEC at its operations. The case also mentions some of the criticisms against the company regarding HSEC issues. The teaching objectives of this case are: (1) to understand the concept of the HSEC management standards; and (2) to learn about HSEC management initiatives in practice, by analysing BHP Billiton's initiatives in this area. This case is meant for MBA / PGDBM students and is designed to be part of the business ethics / corporate social responsibility curriculum. The teaching note includes: (1) the abstract; (2) teaching objectives and methodology; (3) assignment questions; and (4) feedback of case discussion. It does not contain an analysis of the case.

Global; Natural resources; Large; 2001-2008

BHP Billiton
Sustainability
Sustainable development policy
Health, safety, environment and community (HSEC) management
Environmental initiatives
Social and community initiatives

31 pp
Published sources
708-058-8 (5pp)
Finance, Accounting and Control

9-201-028
AIRBUS A3XX: DEVELOPING THE WORLD’S LARGEST COMMERCIAL JET (A)
Esty, B
Kane, M
Harvard Business Publishing
In July 2000, Airbus Industries’ 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.

France; 2000
Capital expenditures
Valuation
Business government relations
Project finance
Product positioning
Product development
Corporate strategy
Demand analysis
20 pp
Published sources
5-201-040 (31pp)

9-198-048
CITIBANK: PERFORMANCE EVALUATION
Davila, A
Simons, RL
Harvard Business Publishing
Citibank has introduced a new, comprehensive performance-scorecard system. A regional president struggles with a tough decision: how to evaluate an outstanding branch manager who has scored poorly on an important customer satisfaction measure. This case provides a scoring sheet to be completed by the reader and an explanation of the ramifications of the decision for the business’s strategy.

United States; Banking; 1996
Banking
Control systems
Incentives
Performance appraisal
Performance measurement
Strategy implementation
9 pp
Field research
5-199-047 (13pp)

9-187-081
CODMAN & SHURTLEFF, INC: PLANNING AND CONTROL SYSTEM
Simons, RL
Harvard Business 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

9-293-128
AMERICAN BARRICK RESOURCES CORP: MANAGING GOLD PRICE RISK
Tufano, P
Serbin, JD
Harvard Business Publishing
Managing the risk of changing prices of gold is central to the business strategy of American Barrick Resources Corp, one of North America’s largest and most successful gold mining firms. The case contrasts this firm’s hedging policies with those of its rivals that do not hedge and details the wide range of hedging products (gold loans, forwards, options, spot deferred contracts) used to manage price risk. In 1992 the management of American Barrick is pleasantly surprised by unexpected new gold finds, but this new production places demands on the firm’s hedging program and tests the firm’s commitment to hedging when prices of gold and of many hedging vehicles are unattractive.

North America; Gold mining; Large; employees 1,730, $540 million revenues; 1992
Hedging
Mining
Risk management
Securities
25 pp
Field research
5-296-064 (16pp)

9-197-047
ARCH COMMUNICATIONS GROUP INC
Palepu, KG
Srinivasan, S
Harvard Business 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.

Communications equipment
Technology
Valuation
Company, stock valuation
28 pp
Published sources

9-104-044
CAJA ESPANA: MANAGING THE BRANCHES TO SELL (A)
Martinez-Jerez, F
De Albornoz, R
Harvard Business Publishing
Juan Luis Rojas, Commercial Planning Manager of a Caja de Ahorros (savings bank), faces the challenge to motivate the branches to sell more long-term mortgages and ponders whether to use transfer prices to achieve his objective.

Spain; Banking industry; 2,700 employees, 200 million eurodollars; 2003
Branches
Commercial banking
Incentives
Organizational design
Performance measurement

9 pp
Field research
5-105-020 (16pp)

16
9-295-059
DIVIDEND POLICY AT FPL GROUP, INC (A)
Esty, B
Schreiber, CF
Harvard Business Publishing
A Wall Street analyst has just learned that FPL (the holding company for Florida’s largest electric utility) may cut its dividend in several days despite a 47-year streak of consecutive dividend increases. In response to the deregulation of the electric utility industry, FPL has substantially revised its competitive strategy over the past several years. The analyst must decide whether a change in dividend policy will be a part of FPL’s financial strategy in this deregulated environment.
Florida; 12,400 employees, $5.3 billion revenues; 1994
Dividends
Financial strategy
Securities analysis
Deregulation
Electric power
Corporate strategy
17 pp
Published sources
5-296-072 (21pp)

9A98N001
HUANENG POWER INTERNATIONAL INC: RAISING CAPITAL IN GLOBAL MARKETS
Foerster, SR
White, J
Karolyi, A
Richard Ivey School of Business
Huaxin Power International (HPI), an independent power producer in the People’s Republic of China (PRC), is in the process of executing a global equity issue to raise funds for the construction of new power plants. The company is planning to list the new shares through an American Depositary Receipt program on the New York Stock Exchange. The company has recently reduced the price of the issue due to poor market conditions and investor resistance to the price range stated in the preliminary prospectus. HPI’s management must decide whether the new offer price and choice of listing exchange is reasonable in light of recent market events and the political, economic, social and technological environment in the PRC.
China; Electric, gas and sanitary services; Large
Finance
International finance
Initial public offerings
Valuation
26 pp
Published sources
8A98N01 (20pp)

UVA-F-1353
NIKE, INC: COST OF CAPITAL
Bruner, RF
Chan, J
Darden Business Publishing
This case is intended to serve as an introduction to the weighted average cost of capital (WACC). Although the case already provides a WACC calculation, it has been intentionally designed to mislead students. As such, their task is to identify and explain the ‘mistakes’ in the analysis, which are designed to highlight conceptual issues regarding WACC and its components that are often misunderstood by students.
US; Investment management; 2001
Cost of capital
Investment analysis
Valuation
8 pp
Published sources
UVA-F-1353TN (5pp)

9-299-004
PENELOPE’S PERSONAL POCKET PHONES
Gompers, PA
Harvard Business Publishing
Provides students with an opportunity to use simple real options analysis to value a startup. Penelope Phillips is deciding whether to start a company to make wireless phones. Students get experience using traditional discounted cash flow valuation and a real options approach.
Entrepreneurial finance
Entrepreneurs
Entrepreneurship
Real options
Valuation
2 pp
Generalised experience
5-299-070 (15pp)
9-287-057
RJ REYNOLDS INTERNATIONAL FINANCING
Kester, WC
Allen, WB
Harvard Business Publishing

Reynolds must source a substantial portion of the financing of its Nabisco acquisition in offshore bond markets. Morgan Guaranty has proposed a yen/dollar dual currency Eurobond that could be hedged into dollars. This structure is compared to Eurodollar Bonds, Euroyen Bonds, and Euroyen Bonds swapped or hedged into dollars.

United States; Capital markets; Fortune 500, $13 billion sales; 1985

Bonds
Capital markets
Currency
Hedging
International finance
14 pp
Field research
5-290-010 (17pp)

107-032-1
‘THE MANCHESTER UNITED BUCCANEERS’: MALCOLM GLAZER’S ACQUISITION OF MANCHESTER UNITED
Moeller, S
Osayimwese, O
Cass Business School

This case looks at the colourful takeover of the world’s most famous sports brand - Manchester United Football Club - by Malcolm Glazer in 2005. Glazer, the owner of an American football team, the Tampa Bay Buccaneers, began his purchases of Manchester United in 2003 and launched a hostile bid in 2004. With strong support from loyal fans, Manchester United resisted the takeover. This case shows the defensive techniques used by its board and their advisors. It shows Glazer’s actions to thwart those defences. In addition, it covers the financing used by Glazer in this highly leveraged deal and includes detailed financial statements and stock price movements. Regulatory issues in the UK City Code are also covered in the case.

UK; Football; £160 million turnover; 2004-2005

Takeover
Hostile acquisitions
Acquisition financing
Manchester United Football Club
Defence
Sports finance
16 pp
Published sources

9-204-033
VALUING A CROSS-BORDER LBO: BIDDING ON THE YELL GROUP
Desai, MA
Veblen, MF
Notarnicola, P
Harvard Business Publishing

A team of private equity investors must value the leveraged buyout of a Yellow Pages business that operated in both the United States and the United Kingdom. In the process, they must wrestle with issues of how to conduct cross-border valuations and how to value a stable cash-cow business along with a growth business. The case analyzes the economics and incentives of carried interest and compares different valuation methods - Capital Cash Flow and Free Cash Flow. The teaching purpose is to understand the core elements of cross-border valuation in the setting of a leveraged buyout. In the process, students must employ exchange rates, decide among betas, and translate values from two mature, developed economies to arrive at a bid. Students must conduct this valuation in a private equity setting with the idiosyncrasies of a leveraged buyout, including the economies of carried interest.

Equity capital
Financial strategy
International business
International finance
Leveraged buyouts
Mergers and acquisitions
United Kingdom
Valuation
17 pp
Field research
5-206-038 (35pp)
Heritance Kandalama's customer service and strong employee support for implementing sustainable tourism practices, resources practices that engendered and sustainable development; and (3) human organisational culture anchored on Kandalama; (2) the emergence of an strategies and programmes at Heritance social and community development. It was the first Asian hotel to receive Green Globe and community development. In response, the resort developers embarked on environment management and social and community development programmes to preserve the physical environment, benefit the surrounding communities and involve local residents in the operations of the resort. By 2008, Heritance Kandalama was a recipient of many international awards for environment management and social and community development. It was the first Asian hotel to receive Green Globe 21 certification in 1999. The resort also raised the profile of its parent company, ASHH, as one of the Asian pioneers of sustainable tourism. This case examines: (1) the environment management and social and community development strategies and programmes at Heritance Kandalama; (2) the emergence of an organisational culture anchored on sustainable development; and (3) human resources practices that engendered and reinforced employees' commitment to implement sustainable tourism practices, and strong employee support for Heritance Kandalama's customer service delivery model. Sri Lanka; Hospitality and tourism; 1992-2008 Sustainable tourism in an Asian context Environment management and social and community development strategy Organisational culture Human resources (HR) practices and service delivery model

404-083-1
HELEN RAMSAY: A MEDIATION ATTEMPT
Manzoni, JF
Barsoux, JL
INSEAD
Two reasonable people, a boss and a subordinate, find each other impossible to handle! Through their descriptions of each other's behaviour we realise that they are in a self-perpetuating dynamic. An attempted intervention by the human resource manager not only fails to resolve the situation; it actually makes it worse. The teaching objectives are as follows: (1) to illustrate how cognitive biases can trigger very different takes on the same 'reality', (2) to discuss the management of 'lower performers'; (3) to increase awareness of the vicious circles in which bosses and 'lower performers' get caught; and (4) to discuss the role of human resources in intervention and prevention. This case replaces Helen Ramsay (A) & (B) (403-038-1 and 403-039-1).
No specific location (English-speaking country); Division of a multinational company
- Human resources manager
- Boss behaviour
- Subordinate performance
- Management and leadership
- Motivation and expectations
- Self-fulfilling prophecy
- Pygmalion effect
- Communication
- Conflict and mediation
- Cognitive biases
- Labelling
- Selective attention
- Attributions
- HR (human resources) systems, fair process and feedback
- Vicious circles
8 pp Generalised experience 404-083-8 (24pp)

9-404-087
HEWLETT-PACKARD: CULTURE IN CHANGING TIMES
Beers, M
Khurana, R
Weber, JB
Harvard Business Publishing
HP had been a highly successful and respected company for decades. It was well known for its company culture and management practices - the HP way - which emphasized both profits and people. Changing markets, strong competitors, and the growth of its computer business, however, battered the company in the mid-1990s. To turn things around, HP hired Carly Fiorina, the first outsider to lead the company. Describes Fiorina's strategy and the impact of decisions she made with respect to the acquisition of Compaq and HR policies on HP's venerable culture and performance. 140,000 employees, $55 billion revenues; 1993-2003 Organizational behavior Computers Acquisitions Leadership Human resources management Organizational culture Organizational change
20 pp Published sources

IMD-4-0282
IKEA: PAST, PRESENT, AND FUTURE
Denison, D
Lief, C
IMD
Ingvar Kamprad's childhood experiences informed his approach not only to furniture retailing, but more broadly to life. In the hard scrabble farmlands of southern Sweden, IKEA Group's founder became convinced of the value of hard work, personal responsibility and forging one's own path. His company did not just produce profits but rather served a larger and higher purpose in society. It brought style, value and a better life to many. IKEA's products were not destined for only wealthy customers who could afford distinctive and contemporary furnishings. But rather they were intended for the global everyman. How to be IKEA in nations and among people who were decidedly different was the dilemma. IKEA had to stay IKEA. But allowing lessons learned in foreign markets to impact and improve the company appeared to be very much in line with its philosophical foundations. One thing was not in doubt - it would be a high-stakes balancing act. The learning objectives are to: (1) examine how a company steeped in its own national and corporate culture adapts when expanding into divergent foreign markets; (2) to analyse internationalisation strategies employed
by successful firms; (3) how to stay true to a company’s core values in the face of multiple challenges; and (4) balancing incongruity, such as the need for flexibility and also the need for constancy.

Sweden, Global; Furniture manufacturing, retailing; $27 billion in revenues 2007; 1950s to present financial year

- Expansion
- Internationalisation
- New market entrance
- Knowledge transfer
- Emerging markets
- Retailing

11 pp
Published sources

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 (11pp)

403-065-1
MULTICHOICE AFRICA: MANAGING THE QUEUE
Bendixen, M
Beswick, C
Wits Business School - University of the Witwatersrand
It was late on a Tuesday afternoon at the beginning of March 2003. Eddie Moyce, Call Centre Manager for MultiChoice Africa, a multichannel television platform, was examining the results of some recent market research that had been presented that day. The research had shown that while customers who had phoned the call centre were generally satisfied with the service they received, they were dissatisfied with the length of time it took for their calls to be answered. The call centre was strategically important in building and maintaining relationships with MultiChoice customers and the company’s senior management had reacted strongly to this finding. They had asked Moyce to investigate the possibility of improving the response time from the current 80:30 to 80:20 or even 90:10. What would be the impact of reducing response times be? Would it be possible to reduce response times while staying within budget? Management had recently imposed severe austerity measures on the company, even reducing the call centre’s budget in the last two years.

South Africa; Call centre; Medium; 2003
- Queuing theory
- Call centre management

6 pp
Field research

9-400-087
REBIRTH OF THE SWISS WATCH INDUSTRY - 1980-92 (A)
Tushman, M
Radov, DB
Harvard Business 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
Organisational structure
Product development
Strategy implementation
Switzerland
Technological change
14 pp
Published sources

408-083-1
RICHARD MURPHY AND THE BISCUIT COMPANY (A)
Jarrett, M
Ingram, K
London Business School
This is the first of a two-case series (408-083-1 and 408-084-1). This case describes the successful journey of organisational renewal and change for a food company facing a changing world of consumer tastes and fierce competition. The first part of the case shows how traditions, a strong founding leader and a previously successful operational formula can lead to a competency trap and organisational inertia. The main part of the case focuses on the years 2002-2006, the challenges of managing change and the role of a new Marketing Director, Richard Murphy. He is tasked with making the company market orientated over its current model of production schedules and efficiencies.

- The case reveals the important role of understanding and tackling resistance to change, managing multiple and diverse stakeholders, engaging customers and personal resilience in leading change.
- The case also highlights that change takes time and that paying attention to political and social networks is as important as the content of the change itself.

UK; Food retail; 2,000 employees; 2002-2006
- Change management
- Resistance to change
- Organisational politics
- Stakeholder management
- Organisational networks
- Managing your boss
- Influencing others
- Organisational renewal

13 pp
Field research
408-083-B (6pp)
9-498-054
ROB PARSON AT MORGAN STANLEY (A)

Burton, MD
Harvard Business 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, faced 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 (18pp)

410-029-1
SONY CORPORATION: FUTURE TENSE?

Perepu, I
Gupta, V
IBS Center for Management Research

Sony, the Japan-based multinational conglomerate, is one of the leading manufacturers of consumer electronics devices and information technology products. Sony was responsible for introducing path breaking products like the Walkman, the Discman, and the PlayStation gaming console, among others. But in the late 1990s, it lost its leadership position in many product lines in which it was operating. Analysts attributed this to the silo culture prevailing in the organisation. Each of the departments functioned like different fiefdoms, hardly co-operating with each other, even when it was necessary. Moreover, Sony’s growing complacency led to its failing to recognise the growing popularity of new technologies and digital products and the company choosing to stick to its proprietary formats. Sony was caught off-guard and tried to revive itself under the guidance of its first non-Japanese head Howard Stringer, who took over as the CEO in 2005. For a couple of years, Sony appeared to be on the path to revival. However, for the fiscal year ending March 2009, the company reported a loss. Sony’s failure to bring out innovative products in spite of having the required competencies was one of the main reasons for the company’s problems, and analysts attributed it to the existing culture in the company. In February 2009, with the aim of addressing the issue of its silo culture, Stringer announced a reorganisation that involved changes in the organisation structure. Through this reorganisation, he sought to transform Sony into an innovative and agile company. However, it remains to be seen whether the reorganisation can bring Sony out of its problems. The case aims to achieve the following teaching objectives: (1) to examine the challenges faced by Sony in a competitive global business environment; (2) to understand the importance of organisational culture in effectively executing an organisation’s strategy; (3) to analyse how Sony can make its products competitive and foster innovation; (4) to examine the efficacy of the reorganisation program initiated by Stringer in turning around Sony and solving its problem relating to the silo culture; and (5) to analyse other measures that need to be taken by Stringer to restore the profitability of Sony. The case is intended for MBA/PGDBA students and can be used in human resource management as well as strategy and general management curriculum. The detailed teaching note includes the abstract, teaching objectives and methodology, assignment questions, feedback of case discussion, additional readings and references, and an analysis of the case. This case was the first prize winner in the 2009 John Molson MBA Case Writing Competition.

Japan; Consumer electronics; Very large; 2005-2009

27 pp
Field research

409-047-1
TATA CONSULTANCY SERVICES OF INDIA (B): BUILDING AN OFFSHORE IT SOFTWARE OUTSOURCING HUB IN CHINA

Beng Geok, W
Buche, I
Asian Business Case Centre

This is the second of a two-case series (409-046-1 and 409-047-1). In 2006, Tata Consultancy Services Ltd articulated its ‘near market’ strategy and announced a new service delivery model - Global Network Delivery Model (GNDMTM), underlining the global scale of its business operations. According to CEO and Managing Director, S Ramadorai, TCS’
goal for its 55 delivery centres around the world was to collaborate on projects for the delivery of IT services, working on a ‘follow-the-sun model’ giving customers the same experience of certainty and consistency, whether the service was delivered in Chennai, China or Chile. When fully implemented, GNDM implied the setting up of large-scale operations in China, and medium-sized operations in South America (Brazil) and Eastern Europe (Hungary). In 2002, TCS established operations in China, following multinational clients who were setting up large-scale operations there. By February 2007, TCS China employed nearly 800 IT consultants and served more than 25 clients in the Asia Pacific region. TCS’s goal was to build the China operations into the company’s second global delivery centre after India. To give the initiative a kick-start, it had to increase its workforce strength in China to 6,000 by 2010 / 2011. In April 2008, given the tight supply of IT talent in China, TCS faced major challenges in talent acquisition and development. What should TCS do to meet its manpower target in China for 2010 / 2011?

China; Computer software and services; 2002-2008

Near market strategy
Talent acquisition and development in China
Service delivery framework

9 pp
Published sources
409-047-8 (4pp)

400-002-1
THE HOUSE THAT BRANSON BUILT: FROM COUNTER-CULTURE TO CORPORATE CULTURE
Kets de Vries, MF
Dick, R
INSEAD

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

Great Britain; Entertainment, airline; Large; 1968-2000
Richard Branson
Virgin
Entrepreneurs
Leadership
Brand management
Venture capital firm

28 pp
Field research
400-002-8 (22pp)

407-079-1
VIVIENNE COX AT BP ALTERNATIVE ENERGY (A)
Ibarra, H
Hunter, M
INSEAD

A team led by Vivienne Cox, Executive Vice President for Gas, Power, and Renewables, identifies and launches a new business, BP Alternative Energy (AE). Investing on this scale in a ‘green’ power business was a radical departure for BP. The case was designed to teach what leaders do to create change and innovation. It illustrates how Cox guided the emergence of a vision for AE, got key stakeholders on board and set in place conditions for a highly motivated team. It also illustrates how leadership style affects change processes.

UK; Oil; Large; 2005
Leadership
Corporate entrepreneurship
Innovation

Corporate social responsibility
Women and leadership

22 pp
Field research
407-079-8 (12pp)

9-498-045
WOLFGANG KELLER AT KONIGSBRAU-TAK (A)
Gabarro, JJ

Harvard Business Publishing

Raises issues concerning: (1) performance evaluation; (2) performance appraisal; (3) managing ineffective performance; and (4) conflicts in management style. A rewritten version of an earlier case. May be used with: (R0401H) ‘What Makes a Leader? HBR Classic.’

Europe; Beer; Mid-size, US$100 million sales
Beverages
Human resources management
Leadership
Management styles
Performance appraisal
Superior and subordinate

18 pp
Field research
5-400-069 (20pp)
Knowledge, Information and Communication Systems Management

9B03E019
BUSINESS INTELLIGENCE STRATEGY AT CANADIAN TIRE
Haggerty, NR
Meister, D
Richard Ivey School of Business

Canadian Tire Corporation consists of five main business groups: a large retail chain providing automotive parts, sports and leisure and home products; a financial division; a petroleum division; a specialty automotive parts division; and a retailer of casual and work wear clothing. The information technology group is faced with developing an implementation plan for the development of a business intelligence infrastructure and business capability at Canadian Tire Retail. Concurrent to this initiative is the development and implementation of an information technology strategy for Canadian Tire Corporation, which places a number of programs on the priority list, with business intelligence seen as a high priority item for which the organization can score some quick win business success.

Canada; General merchandise stores; Large; 2003
Information systems
Knowledge based systems
Information system design
Business intelligence
15 pp
Field research
8B03E19 (6pp)

9-301-099
CISCO SYSTEMS ARCHITECTURE: ERP AND WEB-ENABLED IT
Nolan, RL
Porter, K
Akers, C
Harvard Business Publishing

In a seven-year process, Cisco built its strategic I-Net. Beginning in 1994, Cisco completely replaced its back-office legacy systems. At that time, the company standardized Internet protocols. In addition, the company shifted strategic focus from IT back-office applications to front-office applications. After ERP (enterprise resource planning), the company spent the next two years electronically connecting with customers. A rewritten version of two earlier cases. A consolidated version of the Cisco Systems ERP and Cisco Systems Web-enablement cases. Designed to be taught in one class session (if two class sessions are available, it is recommended that Cisco ERP Systems be used for one session followed by Cisco Systems Web-enablement). May be used with: (9-301-154) ‘The Ten Components of a Strategic I-Net.’

San Jose, CA; Information technology (IT) industry; 2000-2001
ERP
Information technology
Technological change
23 pp
Field research
5-301-143 (15pp)
5-301-145 (3pp)

909-002-1
DIARY OF AN IT PROJECT LEADER: A CASE STUDY ON PROJECT MANAGEMENT LEADERSHIP
Pendse, PH
Welingkar Institute of Management Development & Research

This case is about the challenges faced in development and deployment of a large manufacture resource planning (MRP) II / enterprise solution for Major Insulators Ltd, a leading insulator manufacturing company in India. The case has been presented in the form of a diary of a project manager - wherein he narrates how the project unfolds on a week by week basis. Participants are able to find parallels to the situations described in the case in their own work area. After discussing issues and possible solutions / best practices, the case expects the participants to work out a fresh project plan, including a profit and loss account for the project. The purpose of the case is to sensitize / highlight to participants: (1) the issues faced in managing large IT deployments; (2) project management and leadership behaviours for the success of IT projects; (3) the business and monetary implications of project related decisions; and (4) the breadth and depth of thought required while planning a project. The case has been successfully used for training: (1) project leaders, project managers, transition managers; (2) business analysts and functional consultants; (3) senior developers and domain experts making a transition to the above roles; and (4) students of MBA, MCA, MSc / BSc (computer science / IT) etc. The case can be used in workshop mode for half-day (discussion only) to full-day (including new project plan preparation) under any of the following situations: (1) software development companies or end user IT departments; (2) companies at any level of maturity as per the capability maturity model framework; and (3) any large IT application in any domain.

India; IT in manufacturing / MRP II / ERP implementation; Any medium-sized manufacturing company; Post 2000
Project leadership
Enterprise systems
Manufacture resource planning (MRP) II
Enterprise resource planning (ERP) solutions
Project management
IT project management
Project leadership behaviours
Business analysis
Issues in software projects
10 pp
Generalised experience
909-002-8 (19pp)

9B10E011
GOOGLE IN CHINA (B)
Compeau, D
Fang, Y
Yin, M
Richard Ivey School of Business

The case describes the circumstances surrounding Google's reconsideration of its China strategy. Google officially announced in January 2010 that its Chinese website, Google.cn, experienced cyber attacks from within China. Google further announced that, as a result, it had decided to reconsider its approach to China, including the option of a complete exit from the Chinese market. The case presents Google's performance in China, the details of the cyber attack and the heated public discussion following Google's announcement. Students are asked to consider actions that Google should take and the corresponding, underlying rationale.

United States, China; Miscellaneous services; Medium; 2010
Ethical issues
Management in a global environment
Information systems
Government and business
11 pp
Published sources
903-036-1
IT OUTSOURCING AT OLD MUTUAL
Duffy, N
Beswick, C
Wits Business School - University of the Witwatersrand

It was almost three years since the South African subsidiary of the London-listed financial services organisation, Old Mutual (OMSA), had signed an information technology infrastructure outsourcing contract with Computer Sciences Corporation (CSC). Thus far, the contract had worked out well for both companies and the relationship between them was good, but the two groups were about to enter a new phase in the agreement. OMSA was CSC’s first outsourcing contract in South Africa. The focus during the first three years had been on establishing the relationship between the two companies and bedding down systems and procedures. CSC had consciously not looked for new business, so that its attention would not be divided. Now the organisation wanted to expand and take on other clients. In fact, CSC had just signed a contract with a large retail organisation, which it would service using the infrastructure it had taken over from OMSA. As Doreen Buultjens, head of group technology services at OMSA, considered these developments, she was concerned that until now, CSC had delivered the required service levels only because OMSA had been its exclusive focus in South Africa. Would she have to change the way in which the contract was managed, or could it continue as it was?

South Africa; Financial services; Large; 2002
IT outsourcing implementation
23 pp
Field research

909-018-1
KNOWLEDGE MANAGEMENT INITIATIVES AT IBM
Gupta, V
Perepu, I
Govind, S
IBS Center for Management Research

This case examines the knowledge management (KM) practices at IBM. The company’s KM initiatives date back to the early 1990s, when the company was reorganised under Louis Gerstner. Before that, the company was running as silos due to which information sharing was limited. Then, Gerstner included information sharing as one of the parameters in the performance appraisal system to determine compensation. IBM’s initial efforts in managing knowledge focused on providing information about co-workers and work to enable reuse of the same. This effort started with the asset reuse programme, which was formalised as the Intellectual Capital Management programme. The next stage in the evolution of KM at IBM was communities of practice, which were self-organised communities, through which employees with similar job functions and interests came together. IBM used several tools like K Portal, ICM AssetWeb, On Demand Workplace, Blue Pages, Collaboration Forums, to capture, share and manage knowledge. The case concludes by examining the challenges IBM faced in its KM journey. This case is designed to enable students to: (1) understand the importance of knowledge management in enhancing the competence of an organisation; (2) study the tools and techniques used by IBM to capture and disseminate knowledge; (3) examine the role played by top management to develop a knowledge management framework in an organisation; and (4) evaluate the ways in which reuse of knowledge can be encouraged in an organisation. This case is meant for MBA / MS students as part of the information technology / knowledge management curriculum. The teaching note includes: (1) the abstract; (2) the teaching objectives and methodology; (3) assignment questions; (4) feedback of the case discussion; and (5) additional readings and references. The teaching note does not contain an analysis of the case.

USA; Information technology; Very large; 1994-2009
IBM
Knowledge management
Learning organisation
Information sharing
Wikis
Intellectual Capital Management Programme
Communities of practice
K Portal
ICM AssetWeb
On demand Workplace
Blue Pages
Collaboration Forums
Knowledge networks

Knowledge cafe
Knowledge cockpit
21 pp
Published sources
909-018-8 (4pp)

906-010-1
MULTIASISTENCIA ON THE INTERNET (A)
Busquets, J
Fundacion ESADE

This is the first of a three-case series (906-010-1 to 906-012-1). Multiasistencia was founded in Spain in the early 1980s, creating the Comprehensive Claims Management Service (CCMS). The firm offered this outsourcing service to 100 corporate clients, including financial institutions, insurance companies and retail chains, accessing a market of approximately 9 million end users. The service is offered either as part of a fully comprehensive household insurance policy or as a customer loyalty service in the highly competitive financial and insurance markets in Spain, the UK and France. The group assists its European service users from an International Control Centre located in the outskirts of Madrid, which receives their calls and deploys jobs to its Trade Professional (TP) Network. Case (A) focuses on the problem with quality in the year 2000 as a symptom of a non-scalable operating model. The founder decided to take on new executives to put the needed changes into effect. The dilemma facing the new management team was whether or not to radically change the firm’s operating model based on telephone contacts - transforming its main business - and placing Multiasistencia on the Internet. Case (B) shows how the firm reinvented itself by transforming the CCMS and the TP network co-ordination model. Case (C) describes the change in corporate client relationships by stressing the value of information management. The case also describes a project developed with BBVA Seguros, one of Multiasistencia’s most important corporate clients.

Spain, UK, France; Insurance, repair services; 200 million euros; 2000-2004
Organisational change
Re-engineering with ICTs (information and communications technologies)
Business networks
Business growth
Leadership
Internet
Mobile systems
Web services

17 pp
Field research

908-024-1
OFFSHORING AND INNOVATION AT GLOBALCO: NEGOTIATING A WIN-WIN STRATEGY FOR THE OUTSOURCING RELATIONSHIP
Barrett, M
Cambridge Judge Business School
In recent years, the evolution of IT offshoring relationships has been marked by a gradual shift away from their traditional focus on low cost and labour arbitrage. Instead, with the relationship evolving to new levels of global collaboration, the perceived role of vendors is shifting to one of partnership and as a key source of innovation. This case examines the challenges and opportunities of a multinational firm and its Indian vendors in developing its offshoring relationship over time. It also raises the crucial question as to how key Indian and North American firms can transition their offshoring relationship to one of partnership driving business innovation.

India, North America; Telecoms; 60,000 employees; Mid-1990s to mid-2000s

10 pp
Field research

9A98E036
OHIO POLYMER INC
Bell, PC
Richard Ivey School of Business
Ohio Polymer is about to negotiate a contract with ProBut Hydrocarbon, Inc for the purchase of ethylene gas. The contract will require Ohio to purchase a fixed daily quantity of the gas at a set price per ton. Ohio Polymer’s senior management is looking for advice on how much gas they should try to obtain and what price they should be willing to pay. (A model is available for use with this case, product 7A98E036E)

USA; Chemicals and allied products; Large

Simulation
Negotiation
Manufacturing capacity
Spreadsheet application

6 pp
Published sources
8A98E36 (5pp)

910-003-1
OPEN SOURCE INNOVATION AT MOZILLA CORPORATION
Gupta, V
Prasad, VN
IBS Center for Management Research
This case examines the open source innovation process at Mozilla Corporation, the company that introduced the second most popular internet browser – Firefox. The case begins explaining the way Mozilla came into existence. Later, it discusses the manner in which the company managed its various projects that had an active contribution to the developing community, both in strategic decision making and project execution. The case also discusses in detail, the marketing efforts of Mozilla to promote the open source software products. This case concludes by providing a glimpse into the future prospects of the company and the competition it faces. The teaching objectives of this case are to: (1) understand the open source innovation process at a software company; (2) identify the kind of leadership required to manage open source projects; and (3) recognize the nuances of marketing open source software products. This case is designed for MBA / PGDBM students and is meant for the knowledge, information and communication systems curriculum. The teaching note includes the abstract, teaching objectives and methodology, assignment questions, feedback of the case discussion, and additional readings and references. It does not contain an analysis of the case.

US; IT - software; Large; 2002-2010

Mozilla Corporation
Firefox
Open source innovation
Software development
Project management
Netscape communications
Open source community
Mozillazine.com
Mozilla value network

SeaMonkey
Software release cycle
User-perceptible performance metrics

20 pp
Published sources
910-003-8 (4pp)

9-398-008
PROVIDIAN TRUST: TRADITION AND TECHNOLOGY (A)
McFarlan, FW
Dailey, M
Harvard Business Publishing
A major trust company attempts to implement a major software system while simultaneously reengineering business processes. Providian Trust, a previously non-IT intensive organization, has to completely reposition its management of technology to deal with IT’s new strategic role in the company. The case illustrates how the appropriate use of IT framework can illuminate risk and suggests appropriate courses of action.

United States; 4,000 employees, 470 million revenues; 1995-1996

Trusts
Project management
Information systems
Information and technology
Computer systems

20 pp
Field research
5-399-047 (7pp)

9-806-165
SKYPE
Coles, PA
Eisenmann, TR
Harvard Business Publishing
Presents eBay’s rationale for its $2.6 billion acquisition in late 2005 of Skype, a fast growing voice-over-Internet protocol (VoIP) provider. Describes Skype’s history, technology, business model, and competition, as well as government regulation of VoIP services. The teaching purpose is to examine a platform that exploits proprietary network effects based on point-to-point connectivity; to assess options for stimulating the growth of such a platform; to explore the pros and cons of interoperating with rival platforms; to
The case describes the evolution of Tesco.com (the on-line selling arm of the UK’s number one retailing company, Tesco), into the world’s number one on-line grocery seller by 2003. It explains the rationale behind Tesco’s decision in the mid-1990s to sell groceries through the Internet. Detailed information is provided on the strategies adopted by the company to make the business a success. These include its unique ‘pick-in-the-stores’ model, delivery excellence, inventory management, customer service and website management. Thereafter, the case studies the outcome of these strategies and comments on Tesco.com’s alliance with the US-based retailer Safeway in 2001. Lastly, the case examines the possible pitfalls for Tesco.com in 2003, and briefly discusses its future prospects. The case is structured to enable students to: (1) study the nature of the on-line grocery retailing business and examine the growth of Tesco.com as a leading company in the early 2000s; (2) understand the rationale behind a brick-and-mortar market leader company in the retailing industry deciding to opt for building an on-line sales channel; (3) examine Tesco.com’s unique business model and comment how and why it was superior to the traditional on-line grocery retailing model (the one adopted by Webvan and others); (4) appreciate the importance of distribution excellence, inventory management and superior customer service in running an on-line retailing business successfully; and (5) understand the imperatives of extending a successful domestic business model into the international arena and the potential dangers and benefits of doing so. The case is aimed at MBA/PGDBA students and is intended to be part of the knowledge, information and communication systems management curriculum. The teaching note does not contain an analysis of the case.

United Kingdom, US, South Korea; Online grocery retailing; Large; 1996-2003
Tesco
Tesco.com
On-line grocery retailing
UK retailing industry
Inventory management

Customer service
Pick-in-the-stores model
Webvan
Safeway
Peapod

15 pp
Published sources
906-039-8 (11pp)

906-039-1
TISCALI (D): PROJECT MANAGEMENT
Sampietro, M
Canato, A
Pennarola, F
SDA Bocconi

This is the fourth of a four-case series (306-476-1 and 906-037-1 to 906-039-1). The case object is the management of the Tiscali UNIT project, which brought about information systems unification on a European level. In particular, the case investigates the initial phases of the project and focuses on the organisational aspects and its management, rather than the methodological part of project management. The decision-making subjects are the Chief Executive Officer (CEO) of Tiscali, Renato Soru, and the Chief Information Officer (CIO) of the company, Salvatore Pulvirenti. The action trigger consists of the explicit request of Tiscali’s Managing Director and CEO, (Renato S) who, after a noteworthy series of takeovers on the European market, has asked his managers (and especially his CIO) to elaborate a proposal that would allow Tiscali to undertake an integration process among the various companies. The setting is initially Cagliari (Italy), but the action also takes place in various European countries. The time span is from March 2001 to August 2002. This case (complemented by the teaching notes) can be used in stand-alone mode but is best complemented by ‘Tiscali (B): UNIT Project: European IS Integration’ (306-476-1), which describes the premises for the UNIT project. In addition, there are two other cases which describe Tiscali’s experience, ‘Tiscali (A): An Internet Service Provider between Service and Technology’ (306-476-1) and ‘Tiscali (C): Management Consulting during IS Implementation’ (906-038-1).

Europe; Telecom, Internet; Large; 2001
Project management
IS (information systems) implementation

6 pp
Field research
906-039-8 (11pp)

9A98E040
SUPERIOR GRAIN ELEVATOR INC
Bell, PC
Richard Ivey School of Business

The manager of port facilities for Superior Grain Elevator, Inc in Thunder Bay, Ontario, must decide whether to construct a third wharf at a cost of $1.5 million. Superior Grain Elevator, Inc has just negotiated a grain sale to Poland that will increase the number of shipments from the Thunder Bay facility. A Microsoft Excel model is available for use with this case, product ‘7A98E040’.

Canada; Water transportation; Medium
Simulation
Risk analysis
Spreadsheet application
Computer applications

5 pp
Published sources
8A98E40 (7pp)

903-034-1
TESCO.COM: A RARE PROFITABLE DOTCOM
Mukund, A
IBS Center for Management Research

This case is structured to enable students to: (1) examine Tesco’s decision in the mid-1990s to sell groceries through the Internet; (2) understand the rationale behind Tesco’s decision in the mid-1990s to sell groceries through the Internet. Detailed information is provided on the strategies adopted by the company to make the business a success. These include its unique ‘pick-in-the-stores’ model, delivery excellence, inventory management, customer service and website management. Thereafter, the case studies the outcome of these strategies and comments on Tesco.com’s alliance with the US-based retailer Safeway in 2001. Lastly, the case examines the possible pitfalls for Tesco.com in 2003, and briefly discusses its future prospects. The case is structured to enable students to: (1) study the nature of the on-line grocery retailing business and examine the growth of Tesco.com as a leading company in the early 2000s; (2) understand the rationale behind a brick-and-mortar market leader company in the retailing industry deciding to opt for building an on-line sales channel; (3) examine Tesco.com’s unique business model and comment how and why it was superior to the traditional on-line grocery retailing model (the one adopted by Webvan and others); (4) appreciate the importance of distribution excellence, inventory management and superior customer service in running an on-line retailing business successfully; and (5) understand the imperatives of extending a successful domestic business model into the international arena and the potential dangers and benefits of doing so. The case is aimed at MBA/PGDBA students and is intended to be part of the knowledge, information and communication systems management curriculum. The teaching note does not contain an analysis of the case.

United Kingdom, US, South Korea; Online grocery retailing; Large; 1996-2003
Tesco
Tesco.com
Online grocery retailing
UK retailing industry
Inventory management

Customer service
Pick-in-the-stores model
Webvan
Safeway
Peapod

15 pp
Published sources
903-034-8 (4pp)
Marketing

9-502-030
AQUALISA QUARTZ: SIMPLY A BETTER SHOWER
Moon, Y
Herman, K
Harvard Business 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 industries; £8 million revenue; 2001
Consumer behavior
Consumer marketing
Distribution channels
Market entry
Marketing positioning
Marketing strategy
Product development
Product introduction
Product positioning
20 pp
Field research
5-505-007 (18pp)

9-504-048
BURBERRY
Moon, Y
Herman, K
Kussmann, E
Penick, E
Wojewoda, S
Harvard Business Publishing

In 2003, Rose Marie Bravo, Burberry's CEO is debating how to maintain the currency and cachet of the brand across its broad customer base, while entering new product categories and expanding distribution. In the past five years, the brand has become one of the hottest brands in the world. But Bravo now faces a number of key decisions, including: (1) which new product categories to enter; (2) how to deal with the appropriation of the brand by nontarget customers; and (3) how prominent the company's famed 'check' pattern should be in its advertising and clothing.

United Kingdom; Fashion; 2003
Advertising
Brand management
Fashion
Market positioning
Market segmentation
Marketing strategy
Process analysis
Target markets
26 pp
Field research
503-082-0 (s/w)
503-082-8 (21pp)

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 and the success of the Renault Twingo, 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.xls' is available free of charge when the teaching note is purchased.

France; Automobiles; Large; 1996
Multimedia
CD-ROM
Interactive exercise

503-083-1
FORD KA: THE MARKET RESEARCH PROBLEM (B)
Christen, M
Soberman, D
Chung, SW
Cothier, G
INSEAD

This is the second 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).

France; Automobiles; Large; 1996
Market research
Marketing strategy
Attitudinal segmentation
Cluster analysis
MDS
Qualitative data interpretation
Automobiles
Quantitative data analysis
Marketing process
Market segmentation
What sales strategy would be appropriate. What seems to motivate them? The issues raised are: Who are the cast of characters influencing the buying situation and the salesman's handling of it. The Scanner provides the background for analyzing the dynamics of the buying situation and its prospects for growing the business from SFR150 million to SFR1 billion within the next decade. A radical departure from most Nestle lines of businesses targeted to the mass market, the Nespresso story offers provocative lessons about innovation in large, highly structured organisations.

Nestle, in 1999

Innovation
New product development
Marketing a new concept to upsca
Direct marketing
Nestle

Central to Red Bull's success was the use of word-of-mouth or 'buzz' marketing. Through its sponsorship of youth culture and extreme sports events, it developed a cult following among marketing-wary Generation Y-ers, (18- to 29-year olds) who perceived it as an anti-brand. While it purported to be a sports drink, Red Bull was mostly sold in clubs and bars as an alcohol mixer, where its caffeine doses helped revive clubbers into the early morning hours. By playing on associations with energy, danger and youth culture, Red Bull carefully cultivated its mystique, which earned it nicknames like 'liquid cocaine'. The company used additional non-traditional marketing techniques, such as consumer education teams who drove around handing out free cans of Red Bull to those in need of energy, and student brand managers who promoted the product on university campuses. In 2004, Red Bull found itself at a crossroads, challenged with defending its market share. It faced a maturing market and an onslaught of competitive brands, some of them promoted by beverage industry giants such as Coca-Cola and Pepsi, others as private labels by mass retailers such as Asda (part of Wal-Mart). Red Bull needed to determine whether it was outgrowing its anti-establishment status. As a mature brand, it needed to assess whether the time had come to transition to a more traditional marketing approach. But this raised a critical question: would this move toward a more mainstream approach fundamentally destroy Red Bull's anti-brand mystique?

Europe, USA; Energy drinks; 1.26 billion euros sales; 1982-2004

Buzz marketing
Distribution
Growth
Brand building
Guerrilla marketing
Energy drinks
Integrated marketing communications
Advertising
Product-life cycle
Non-traditional marketing

14 pp
Published sources
505-098-8 (10pp)
Marketing

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

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 (44pp)

504-009-1
UNILEVER IN BRAZIL (1997-2007): 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

510-077-1
RENOVA TOILET PAPER: AVANT-GARDE MARKETING IN A COMMODITIZED CATEGORY
Bart, Y
Chandon, P
Seabra de Sousa, R
INSEAD
Renova, a Portuguese toilet paper manufacturer, is battling to survive in a stagnant, commoditised market dominated by international giants and private labels. To grow and remain independent, CEO Paulo Pereira da Silva is considering three options: (1) private label manufacturing; (2) new functional innovations, and (3) launching a black toilet paper. What should he do? And how should the chosen strategy be implemented? In exploring the challenges facing small players in stagnant commoditised categories where international giants and private labels dominate, this case provides detailed information on consumer behaviour, competition, and the company (including the brand and past communication campaigns). It accounts for the success of private labels and explains when it makes sense to produce for a private label. It illustrates the key role of marketing and branding, showing how Renova differentiated on hedonic and symbolic benefits in a category that was thought to be hopelessly commoditised.

Disposable paper; 2005-2010
Marketing
Brand
Private label
Luxury
Consumer goods
Blue Ocean
Innovation
Advertising
23 pp
Field research
510-077-8 (16pp)

IMD-5-0688
SAUER: THE CHINA CHALLENGE (A)
Ryan, A
IMD
This is the first of a two-case series (IMD-5-0688 and IMD-5-0689). In December 2003 the management team at Saurer Twisting Systems (STS) was facing increasing competition in the critically important Chinese market. Local competitors in China were undercutting the price of Saurer’s CompactTwister, which was manufactured in China, by over 50%. The company was considering the introduction of a lower cost machine targeted at Chinese and Asian customers, who would not buy its high cost machine. Margins were likely to be significantly lower on the new machine, and the new machine might cannibalise their high end product. If the STS team did decide to introduce the new machine, it would have to make some difficult decisions about positioning, pricing, naming the product, and sales strategy. It was also not clear how their Chinese competitors would respond to the proposed new product.

China, Germany; Textile machinery; 1.7 billion euros; December 2003

China
Low-cost competition
Marketing
Strategy
20 pp
Field research

9-504-016
STARBUCKS: DELIVERING CUSTOMER SERVICE
Moon, Y
Quelch, JA
Harvard Business 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.

United States; 60,000 employees, gross revenue: $3.3 billion revenues; 2002

Market research
Profitability
Customer retention
Customer service
20 pp
Field research
5-504-089 (19pp)
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.

Brazil; Home and personal care; US$56 billion; 1996-2004
Marketing
Branding
Low-income consumers
Poverty
New product introduction
Break-even analysis
Advertising
Pricing
23 pp
Field research
504-009-8 (34pp)
504-009-9 (s/w)

IMD-5-0751
VALUE SELLING AT SKF SERVICE (A):
TOUGH BUYER CONFRONTS STRATEGY
Kashani, K
DuBrule, A
IMD

This the first of a three-case series (IMD-5-0751, IMD-5-0752 and IMD-5-0756). Faced with growing competition and commoditisation of its core aftermarket business for industrial bearings, SKF develops a sales tool to document, measure and guarantee its customers financial benefits from the use of its replacement products and related services. The strategy is based on justifying premium unit prices that lead to a lower total cost and an attractive return on investment for the customer. However this strategy is not likely to impress Steelcorp, an important end user of bearings buying upwards of $12 million annually. A new procurement VP is asking suppliers of bearings, including SKF, to submit to on-line reverse auction where the lowest unit price is likely to win big orders. SKF senior management is considering a response to Steelcorp’s invitation which is supported by the company’s distributor but opposed by those inside the company who committed to value selling and total cost pricing. The students are to resolve the dilemma and make a decision whether to participate in the auction or refuse to do so and risk losing potentially big orders during recessionary market conditions. Learning objectives: The case can be used for the following learning objectives: (1) demonstrate the mechanics of value (total cost) pricing and the strategic logic of it; (2) show the limitations of value pricing (eg in face of procurement strategies targeting reduction in per unit cost of goods purchased); (3) illustrate how commoditisation can be fought back under certain conditions; (4) provide insights on how industrial buying-selling and distribution work and the trends reshaping both; (5) practice role play and negotiation with a key customer; and (6) introduce the concept of reverse auction in industrial procurement.

Global, US; Industrial bearings; US$8.2 billion
Value pricing
Industrial selling
Industrial distribution
Channel conflict
Commoditisation
Negotiation
Reverse auction
After sales service
Industrial marketing
Key account management
12 pp
Field research
5-504-108 (20pp)

9-504-028
VIRGIN MOBILE USA: PRICING FOR THE VERY FIRST TIME
McGovern, GJ
Harvard Business Publishing
Dan Schulman, the CEO 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.

United States; Telephone industry; 200 employees, $5.2 billion revenues; 2002
Market segmentation
Pricing
Pricing strategy
Target markets
Telecommunications
19 pp
Field research
Production and Operations Management

9-694-046
BARILLA SPA (A)
Hammond, JH
Harvard Business Publishing
Barilla SpA, an Italian manufacturer that sells to its retailers largely through third-party distributors, experienced widely fluctuating demand patterns from its distributors during the late 1980s. This case describes a proposal to address the problem by implementing a continuous replenishment program, under which the responsibility for determining shipment quantities to the distributors would shift from the distributors to Barilla. Describes support and resistance within Barilla’s different functional areas and within the distributors Barilla approached with the proposal.

Italy; 7,000 employees; $2 billion revenues; 1990
Order processing
Distribution planning
Logistics
Suppliers
21 pp
Field research
5-695-063 (22pp)

UVA-OM-0836
BEAU TIES LTD OF VERMONT
Weiss, EN
Shepherd, S
Darden Business Publishing
Bill Kenerson, the owner-operator of a retail bow-tie business, faces two decisions. The first is whether to bring production of bow ties in-house. The second concerns his telephone-order-entry system. Students must calculate the capacity of the production facility and determine the appropriate staffing plan for telephone operators.

Middlebury, VT; Retail; $0.75-1.0 million; 1996
Capacity planning
Entrepreneurship
Make, buy, or lease
Queuing
Small business
Waiting-line analysis
Agency management
Diverse protagonist
12 pp
Field research
UVA-OM-0836TN (1pp)

600-003-1
DRAGONFLY: DEVELOPING A PROPOSAL FOR AN UNINHABITED AERIAL VEHICLE (UAV)
Loch, CH
De Meyer, A
Kavadias, S
INSEAD
IACo is an aerospace company, developing UAVs (Uninhabited Aerial Vehicles). The case describes the project of developing a bid for a large contract under severe time pressure. The case discusses project planning for rapid time-to-market. The case discusses project management problems occurring during the development of a new product. The main objectives are to illustrate: (1) the different ways of representing project activities; (2) the traditional project management techniques (CPM, Gantt Chart); (3) extensions of the critical path approach (to account for time uncertainty, loops and rework); and (4) how to focus improvement efforts.

UK; Aerospace; 1999
9 pp
Published sources
600-003-8 (23pp)

606-043-1
EBAY® CUSTOMER SUPPORT OUTSOURCING
Newman, S
Grikscheit, G
Verma, R
Malapati, V
David Eccles School of Business
The case addresses an extremely critical and timely subject. Outsourcing is hotly debated today in business and political circles, driven by the unrelenting growth of technology and the global economy. The ubiquitous nature of the eBay name adds to the appeal of the case. The authors believe it will be rare to find students in university classrooms today who have not bought or sold something on eBay and who have not been aware of the impact of outsourcing decisions on careers and communities. The case provides insights into eBay’s unique on-line business model, explores the critical role of customer service in rapidly growing on-line enterprises, and stimulates in-depth discussion of the issues managers working in customer service face when making outsourcing decisions. The case is set in late 2004 when the operations director is scheduled to present a new ‘three-tiered’ outsourcing strategy to the senior management team lead by Chief Executive Officer Meg Whitman. In addition, at the last minute an unanticipated and largely untried approach to outsourcing is introduced in response to a question posed by eBay’s vice president of global customer support. ‘If we are to continue outsourcing, and even consider expanding it, why should we keep paying someone else to do what we can do for ourselves?’ The question, and related issues, provides the stimulus for students to reflect on and analyse the details of the strategy involving: (1) a 100% increase in volume; (2) outsourcing potentially sensitive risk-related inquiries; (3) the addition of a second vendor; and (4) the viability of a back-out plan, as well as the growing concerns among senior executives about outsourcing altogether. Finally, students are challenged to evaluate a hybrid strategy for eBay to work with a third party vendor to ‘Build, Operate, and ultimately Transfer’, or ‘BOT’, facilities to eBay. This case was sponsored by the Indiana University CIBER Case Collection.

United States, International; e-commerce, service sector; Large corporation; 2004
Customer service
Offshore outsourcing
Customer relationship management
Customer satisfaction
Service operations
eBay
Managing risk and fraud
Metrics and benchmarks
On-line auctions
Outsourcing strategies
Outsourcing and technology
Outsourcing vendor selection
Trust and safety
Service performance improvement
26 pp
Field research
606-043-8 (29pp)

9-906-417
ESTERLINE TECHNOLOGIES: LEAN MANUFACTURING
Nolan, RL
Brown, KA
Kumar, S
Harvard Business Publishing

Diverse protagonist
Waiting-line analysis
Small business
Make, buy, or lease
Queuing
Entrepreneurship
Capacity planning
Distribution planning
Order processing
Logistics
Suppliers
Offshore outsourcing
Outsourcing and technology
Outsourcing vendor selection
Managing risk and fraud
Service performance improvement
31
Robert Cremin raises the issue of the appropriate role of IT in lean manufacturing. Most large manufacturing companies have implemented ERP IT systems to support lean manufacturing practices. The Kerry plant of Esterline Technologies attempted an ERP implementation and then terminated it. Now the Kerry plant is revisiting the appropriate use of IT in an environment of highly innovative lean manufacturing.

Washington; 7,500 employees, $800 million revenues; 2006
- Innovation
- Information and technology
- ERP
- Toyota production system

23 pp
Field research
5-907-401 (20pp)

606-012-1
IDEO: SERVICE DESIGN (A)
Sosa, ME
Bhavnani, R
INSEAD
This is the first of a two-case series (606-012-1 and 606-013-1). This case describes how IDEO adapts its famed innovation process (developed to design new products) to the particularities of services and their design. The case series describes four service design projects to show how IDEO has developed and codified a series of design methods, which constitute a toolbox from which teams can pick and choose depending on the innovation project. The case study aims to: (1) reinforce the notion of the five-step innovation process that can be used for any design project, whether it is a service or a product. (The five steps of the IDEO process are: (i) observe; (ii) synthesise; (iii) generate ideas; (iv) refine; and (v) implement); (2) highlight the differences between product and service design, and the subtle differences in the respective processes; (3) introduce the notion of IDEO methods as a set of interchangeable tools to be used according to the type of project being worked on, and identify when it is best to use them; and (4) introduce the concept of knowledge brokering and examine the ways in which the transfer of knowledge is carried out across a distributed organisation. This case was previously numbered 605-031-1.

USA, UK; Consulting (transportation, banking, telecommunications, healthcare); 300+ employees; 1999-2005
- Innovation management
- New product and service development
- Brainstorming
- Prototyping
- Knowledge brokering

23 pp
Field research
606-012-8 (15pp)

602-010-1
MARKS & 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.

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 (37pp)
602-010-9 (s/w)
OSA1
RED BRAND CANNERS
Wilson, RB
Stanford Business School
Presents a simple example of a production planning problem amenable to analysis using linear programming.
California; Canning; 1965
Production planning
4 pp
Generalised experience

KEL026
SEVEN-ELEVEN JAPAN CO
Chopra, S
Kellogg School of Management
Discusses the structure of the Seven-Eleven Japan supply chain in terms of its facilities network, inventory management, distribution, and information.
Japan; Retail industry; 2000
Distribution
Information management
Inventory management
Operations management
Supply chain optimization
Transportation
14 pp
Published sources
KEL027 (3pp)

9-695-022
SPORT OBERMEYER, LTD
Hammond, JH
Raman, A
Harvard Business Publishing
The case describes operations at a skiwear design and merchandising company and its supply partner. Introduces production planning for short-life-cycle products with uncertain demand and allows students to analyze a reduced version of the company’s production planning problem. In addition, it provides details about information and material flows that allow students to make recommendations for operational improvements, including comparisons between sourcing products in Hong Kong and China.
United States, Hong Kong, China; Apparel industry, ski; 100 employees, $32.8 million revenues; 1992
Apparel
Demand analysis
Forecasting
International operations
Production planning
Sourcing
Supply chain
19 pp
Field research
5-696-012 (31pp)

607-009-1
TALENT DRYCLEANERS
Velamuri, S
Ojadi, F
Anyakora, C
Lagos Business School
This case allows students in post graduate and entrepreneurial classes to explore the all-important concepts of bottle necks in managing service operations. It details the capacities of the various sub-processes and uses some cost data to analyse the break-even point, capacity utilisation and the all important service parameter of turnaround time in a typical dry-cleaning service. It also outlines what to do to improve the entire process and examines the economies of the business if the owner-manager is desirous to move out of the present location and up to the new emerging locations in Lagos metropolis. The teaching note includes the teaching strategy covering one hour fifteen minutes of the session and not just the solution set of data.
Lagos, Nigeria; Services; Small Entrepreneurship
Process flow analysis
Break-even analysis
Marketing issues
Service management
8 pp
Field research
607-009-8 (2pp)

9-693-019
TOYOTA MOTOR MANUFACTURING, USA, INC
Mishina, K
Harvard Business 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.
Kentucky; 4,000 employees, $1-5 billion revenues; 1992
International operations
Process analysis
Quality control
Supply chain
22 pp
Field research
5-693-046 (25pp)

9-607-129
WESTIN HOTELS AND RESORTS: OPERATIONS OF A LIFESTYLE EXPERIENCE
Frei, FX
Dev, CS
Stroock, LM
Harvard Business Publishing
Westin Hotels and Resorts adopted a new ‘lifestyle’ brand strategy which provided guests with a new service experience. The dilemma Westin faced was how to operationally build a brand that delivered consistent service on intangible values.
Hotel industry; 145,000 employees, US$5.9 billion revenues; 2000-2006
Marketing
Operations management
Services
17 pp
Field research
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 specialised 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. This case was sponsored by the Indiana University CIBER Case Collection.

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 (21pp)
603-002-9 (s/w)

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. The case describes this value chain, concentrating on its operations and IT infrastructure.

Spain; 32,000 employees; gross revenue: $4 billion revenues; 2003
- Vertical integration
- Operations
- Information systems
- Information and technology
- Production
- Computer networks
- Supply chain management

23 pp
Field research
5-604-104 (20pp)
Strategy and General Management

9-796-128
AFRICAN COMMUNICATIONS GROUP
McGahan, A
Coxe, D
Harvard Business Publishing

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

Africa
Competition
Decision analysis
Entrepreneurship
Industry structure
Telecommunications

20 pp
Field research
5-797-029 (29pp)

9-710-467
APPLE INC IN 2010
Yoffie, DB
Kim, R
Harvard Business Publishing

On April 4, 2010, Apple Inc. launched the iPad, the company’s third major innovation released over the last decade under its iconic CEO Steve Jobs. Apple’s strategy of shifting its business into non-PC products had thrived so far, driven by the smashing success of the iPod and the iPhone. Yet challenges abounded. Macintosh sales in the worldwide PC market still languished below 5%. Growth in iPod sales was slowing down. iPhone faced increasing competition in the smartphone industry. And would Apple’s latest creation, the iPad, take the company to the next level?

California; 36,800 employees, gross revenue:$43 billion; 1976-2010

Technology
Strategic planning

Market positioning
Competition
25 pp
Published sources
5-710-484 (11pp)

IMD-3-0873
EASYJET: THE WEB’S FAVOURITE AIRLINE
Kumar, N
Rogers, B
IMD

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 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. 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).

Europe; Airline; 1,000 employees, US$125 million turnover; 2000
Marketing strategy
Industry analysis
Service management
22 pp
Field research
IMD-3-0873-T (19pp)

302-058-1
EVEN A CLOWN CAN DO IT: CIRQUE DU SOLEIL RECREATES LIVE ENTERTAINMENT CASE B
Kim, WC
Mauborgne, R
Bensaou, BM
Williamson, M
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. A video called ‘The Evolution of the Circus Industry’ is available for free faculty download at www.blueoceanstrategy.com.

Canada, USA, Europe; Entertainment, circus; 2001
Circus and live entertainment industry
Value innovation
Strategy
Blue Ocean Strategy
Creating new market space
Redefining industry boundaries
Competition
9 pp
Generalised experience
302-057-8 (24pp)
FORMULA ONE CONSTRUCTORS: COMBINED CASE

Jenkins, M
Cranfield School of Management

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 1 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, Formula One; Large; 1950-2003
- Sustained competitive advantage
- Resource based view
- Core competence
- Distinctive capabilities

GE'S TWO-DECADE TRANSFORMATION: JACK WELCH'S LEADERSHIP
Bartlett, CA
Wozny, M
Harvard Business 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.

United States; 293,000 employees, $100 billion revenues; 1981-1998
- Leadership
- Change management
- Organizational development
- Business policy
- Executives
- Organizational culture
- Corporate strategy
- Organizational change
- Conglomerates
- Implementing strategy

HONDA (A)
Pascale, R
Christiansen, E
Harvard Business 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

HONDA (B)
Pascale, R
Christiansen, E
Harvard Business 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.
(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

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

Ghemawat, P
Baird, B
_Harvard Business Publishing_

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

**United States; 20,000 employees; $2 billion revenues; 1996-1997**

- Competition
- Internet

19 pp
Published sources
5-798-119 (15pp)

9-396-357
MCKINSEY & COMPANY: MANAGING KNOWLEDGE AND LEARNING

Bartlett, CA
_Harvard Business 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 disseminate 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. Managing director, Rajat Gupta, wonders if the changes he has made are sufficient to maintain the firm's vital knowledge development process.

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

- Innovation
- Business policy
- Knowledge management
- Knowledge transfer
- Managing professionals
- Multinational corporations

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

IMD-3-1336
NESTLÉ’S GLOBE PROGRAM (C): ‘GLOBE DAY’

Killing, P
_IMD_

This is the third of a three-case series (IMD-3-1334 to IMD-3-1336). This final case in the GLOBE series is set approximately 18 months after the B-case. The setting is a meeting of Nestlé's market heads who are participating in a daylong event to bring them up to date on the progress of GLOBE. The morning has been difficult for Chris Johnson - full of criticism - and the question is how he should handle the afternoon.

**Global; Food and beverage; Large; 2001**

- Change management

4 pp
Field research

302-057-1
THE EVOLUTION OF THE CIRCUS INDUSTRY (A)

Kim, WC
Mauborgne, R
Bensaou, BM
Williamson, M
_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. A video called 'The Evolution of the Circus Industry' is available for free faculty download at www.blueoceanstrategy.com.

Canada, USA, Europe; Circus; 2001
Circus and live entertainment industry
Value innovation
Strategy
Blue Ocean Strategy
Creating new market space
Redefining industry boundaries
Competition
7 pp
Field research
302-057-8 (24pp)

305-308-1
ZARA: RESPONSIVE, HIGH SPEED, AFFORDABLE FASHION
Kumar, N
Linguri Coughlan, S
London Business School

In 1975, the first Zara store was opened in La Coruna, in Northwest Spain. By 2005, Zara’s 723 stores had a selling area of 811,100 m2 and occupied privileged locations of major cities in 56 countries. With sales of 3.8 billion euros in financial year 2004, Zara had become Spain’s best-known fashion brand and the flagship brand of 5.7 billion euros holding group Inditex. Inditex’s stock market listing in 2001 had turned Amancio Ortega, its founder and a self-made man, into the world’s 23rd richest man, with a personal fortune that Forbes magazine estimated at US$12.6 billion. Zara strove to deliver fashion apparel, often knock-offs of famous designers, at reasonable costs to young, fashion-conscious city-dwellers. Zara used in-house designers to present new items of clothing to customers twice a week, in response to sales and fashion trends. Thus the merchandise of any particular store was fresh and limited. To produce at such short notice required that Zara maintain a vertically integrated supply chain that distributed the clothes through a single state-of-the-art distribution centre. Unlike its competitors, 70-80% of Zara garments were manufactured in Europe. In 2005, Pablo Isla was appointed the new Inditex Chief Executive. With plans to double the number of its stores by 2009, the rapid pace of growth was necessitating changes. First, Zara had opened a second distribution centre to increase capacity. Second, expanding into more distant markets meant that the number of items carried had increased to 12,000. Would Zara’s business model be able to scale up? Or would the resulting complexity compromise its speed advantage? Would Pablo Isla be able to maintain the focus that Zara had established?

Global; Retail; 3.8 billion euros; 1975-2005
Brand management
New product development
Supply chain
International business
Retailing
Vertical integration
Scalability
Business models
Value chain analysis
Outsourcing
Segmentation
Staples vs fashion
Private label
Gross margin return on investment (GMROI)
Atmospherics
20 pp
Published sources
305-308-8 (21pp)