Our bestselling cases

2014 edition

Be inspired!

- Discover our bestselling cases
- Browse ten subject categories
- View and buy on-line

www.thecasecentre.org
The Case Centre’s bestsellers

Welcome to our list of bestselling cases! We hope you enjoy browsing through our 2013 bestsellers and find some fresh inspiration for your classroom teaching. The listings include a brief summary of each case and related reference numbers so they are easy to find on our website. We’ve included information about the authors, institutions, page length, date of publication and whether the case is field-based or written from published sources.

You’ll also find the details of all our latest winners in The Case Centre Awards and Competitions.

All our bestselling and winning cases are available for inspection and instant download at: www.thecasecentre.org

If you need any more information, please e-mail: info@thecasecentre.org

Best wishes from The Case Centre team!

Contents

Welcome i
Guide: case entry layout ii
Visit www.thecasecentre.org iii
CoursePack Creator iii
The Case Centre Awards and Competitions: winners 2014 iv

Bestselling cases
• Case Method and Specialist Management Disciplines 1
• Economics, Politics and Business Environment 4
• Entrepreneurship 8
• Ethics and Social Responsibility 12
• Finance, Accounting and Control 16
• Human Resource Management/Organisational Behaviour 19
• Knowledge, Information and Communication Systems Management 23
• Marketing 28
• Production and Operations Management 33
• Strategy and General Management 37
Case entry layout

Our bestselling cases 2013 are listed alphabetically by title under ten main subject categories. The example below highlights where to look for key information in each entry, including case and teaching note reference numbers, topics, authors, institution and length.

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
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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The Case Centre Awards and Competitions 2014

Award winners

Outstanding Contribution to the Case Method
Nirmalya Kumar, London Business School

Overall Winner
Value Selling at SKF Service (A): Tough Buyer Confronts Strategy
Kamran Kashani and Aimé DuBrule, IMD

Economics, Politics and Business Environment
Alpen Bank: Launching the Credit Card in Romania
V. Kasturi Rangan and Sunru Yong, Harvard Business School

Entrepreneurship
Coach: To Be or Not To Be Luxury?
Ashok Som and Stéphanie Masson, ESSEC Business School

Ethics and Social Responsibility
McDonald’s: Corporate Social Responsibility Challenge
Magdalena Öberseder, Elisabeth Gotze; Anna Maria Saupper and Christian Wilhelmer, WU Wirtschaftsuniversität Wien

Finance, Accounting and Control
Deutsche Bank and the Road to Basel III
George (Yiorgos) Alayannis, Gerry Yemen, Andrew C. Wicks and Matthew Dougherty, Darden School of Business

Human Resource Management / Organisational Behaviour
Anna Frisch at Aesch AG: Initiating Lateral Change
Urs Müller and Ulf Schäfer, ESMT European School of Management and Technology

Knowledge, Information and Communication Systems Management
Digital Marketing at Nike: From Communication to Dialogue
Debapratim Purkayastha and Adapa Srinivasa Rao, IBS Center for Management Research (IBS Hyderabad, IFHE University)

Marketing
HubSpot: Inbound Marketing and Web 2.0
Thomas Steenburgh, Jill Avery and Naseem Dahod, Harvard Business School

Production and Operations Management
Operations Strategy at Galanz
An Ivey Publishing case by
Xiande Zhao, China Europe International Business School (CEIBS)
Xuejun Xu and Lei Yang, South China University of Technology
Stephen Ng, Hang Seng Management College
Barbara Li, The Chinese University of Hong Kong

Strategy and General Management
GE Healthcare (A): Innovating for Emerging Markets
Jasjit Singh, INSEAD

Case Writing Competition Hot Topic: Crisis as Opportunity
Vodafone in Egypt: National Crises and Their Implications for Multinational Corporations
Urs Müller and Shirish Pandit, ESMT European School of Management and Technology

Case Writing Competition: New Case Writer
Michel et Augustin Cookies: Culinary Adventures Competing Against Food Industry Giants
Heman Bruno and Hilke Plassmann, INSEAD

Innovation in Case Teaching Competition
Cases in the Service of Business School Collaborations: Insights from Service Learning in Africa
Nicole Haggerty, Ivey Business School

www.thecasecentre.org/winners

Congratulations to all our winners!
defied conventional wisdom about how to grow deposits. Banks historically have grown either by competing on deposit rates or through acquisitions that expand their deposit base. Commerce has the lowest deposit rates in each of the local markets it serves and has acquired no other banks, yet its growth rate is unparalleled. Its secret? Commerce differentiates itself on service. Explores the highly refined service model that guides the design of its operations and service features and considers the trade-offs involved in competing on service.  

New Jersey, 5,300 employees, $604.4 million revenues; 2002  

Service management  

22pp  

Field research  

5-605-031 (26pp)  

5-608-058 (39pp)  

UVA-QA-0727  

CRAWFORD DEVELOPMENT CO AND SOUTHEAST BANK OF TEXAS  

Ovchinnikov, A  

Loutskina, E  

Darden Business Publishing  

In the early months of the 2007-08 financial crisis, a loan manager faces a real estate financing decision. Should he approve a bullet structure three-year loan to a longstanding client, a legendary Texan developer? The developer, who near retirement downsized his business, is seeking financing for his only project: residential or commercial development on an attractive piece of land in suburban Houston. The loan manager considers the decision in light of the mortgage market turmoil, seeing commercial projects as safer, but also factoring that the residential market could bring higher returns if the market stabilizes soon. The manager collects the data and asks an analyst to assess the risks; that ultimately requires assessing the economics of both projects from both the bank's and the developer's perspectives. The bank could still change the interest rate on the loan to receive adequate compensation for the risk it carries, but the loan manager knows that doing so will change their long-term client willingness to take on the loan.
Philippines, go it alone, or form a joint venture with a Philippine company? This is a major investment for James Hardie and marks the beginning of its new growth initiative into Asia after a period of consolidation. If the project goes ahead, James Hardie’s Asia headquarters would be moved from Kuala Lumpur to Manila.

**Philippines; Australia; Stone, clay, glass and concrete products; Large Joint ventures**

**Market analysis**

James Hardie, a major Australian company in the building products industry, must decide whether to recommend a proposed $50 million investment in the Philippines. If James Hardie is to make the investment and grow the company, should it do so as a joint venture with Jardine, James Hardie’s Hong Kong-based distributor in the Philippines, or go it alone? This case is used to treat seasonality and exponential smoothing in time-series forecasting.

**Georgia; 3 employees, gross revenue:**

Operations management
Social responsibility
Entrepreneurship
Environmental organizations
Service management

The manager for Asia of James Hardie, a major Australian company in the building products industry, must decide whether to recommend a proposed $50 million investment in the Philippines. If James Hardie is to make the investment and grow the company, should it do so as a joint venture with Jardine, James Hardie’s Hong Kong-based distributor in the Philippines, or go it alone? This case is used to treat seasonality and exponential smoothing in time-series forecasting.

**Large city; Hotel; $5 billion in sales; 1988**

The manager of a large downtown hotel has to decide whether to accept 60 additional reservations or not. If she accepts, she will be overbooked and face certain costs if all the reservations show up. She must forecast, based on historical data, how many of the people holding reservations will show up and then decide whether to take the additional bookings after taking into account the cost involved. The case is used to treat seasonality and exponential smoothing in time-series forecasting.

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**9A97G011 JAMES HARDIE**

Lecraw, DJ

Ivey Publishing

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**9-611-069 INTERFA CERAISE: SUSTAINABILITY CONSULTING**

Toffel, MW

Eccles, RG

Taylor, C

Harvard Business Publishing

InterfaceRAISE is a sustainability management consulting firm created to leverage the capabilities of its parent company Interface Inc, a carpet manufacturer recognized as a global leader in corporate environmental sustainability. This case illustrates the challenges of turning an internal capability into a client facing revenue stream. This is made especially difficult by the fact that the parent company is a manufacturing firm and InterfaceRAISE is a professional service firm (consulting). InterfaceRAISE is not being staffed by a traditional consulting firm model, relying instead on the part time availability of employees in the parent company. At the time of the case, InterfaceRAISE was grappling to identify the appropriate business model for the type of consulting firm it wants to be, to determine what its client portfolio should look like, and to set its pricing structure. InterfaceRAISE needed to decide how to accelerate its growth while better achieving its three objectives: improving its clients’ sustainability performance, enhancing its parent company’s brand image and sales, and increasing operating profits.

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

Heskett, JL

Harvard Business Publishing

Various proposals are set forth for expanding the capacity of the hospital. In assessing them, serious consideration has to be given to the culture of the organization and the importance of

**9-612-049 (12pp)**

Field research

5-612-049 (12pp)

**UVA-QA-0389 MARRIOTT ROOMS FORECASTING**

Bodily, SE

Weatherford, L

Darden Business Publishing

The manager of a large downtown hotel has to decide whether to accept 60 additional reservations or not. If she accepts, she will be overbooked and face certain costs if all the reservations show up. She must forecast, based on historical data, how many of the people holding reservations will show up and then decide whether to take the additional bookings after taking into account the cost involved. The case is used to treat seasonality and exponential smoothing in time-series forecasting.

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preserving it in a service delivery system. In addition to issues of capacity and organizational analysis, describes a well-focused, well-managed medical service facility that may well point the way to future economies in the field.

1982
Organizational behavior
Social enterprise
Capacity planning
Quality management
Market segmentation
Word-of-mouth marketing
Expansion
18pp
Field research
5-686-120 (16pp)

9-805-002
SHOULDICE HOSPITAL LIMITED
Abridged version
Hallowell, R
Heskett, JL
Harvard Business Publishing
A hospital specializing in hernia operations is considering whether and how to expand the reach of its services.

$12 million revenues; 2004
Organizational behavior
Social enterprise
Capacity planning
Expansion
14pp
Field research
5-913-408 (19pp)

9-694-023
SOUTHWEST AIRLINES: 1993 (A)
Heskett, JL
Hallowell, R
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
Operations research
Corporate strategy
Service management
29pp
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; $1.5 billion revenues, 18,000 employees; 2000
Operations management
Innovation
Organizational behavior
Change management
Human resource management
Brands
30pp
Field research
5-602-113 (28pp)

UVA-QA-0453
WAITE FIRST SECURITIES
Bodily, SE
Darden Business Publishing
An account executive has the task of calculating a beta value for three stocks of interest to an important client, based on five years of monthly total returns. The client is interested in these beta values as measures of the riskiness of the three investments. The case is used near the beginning of a module on regression. It focuses on the simple linear regression model relating equity returns to market returns. This use of regression (to calculate a stock’s beta) is very common in financial analyses and will be seen by the students in other courses. The case serves to clarify the distinction between systematic and unsystematic risk and between R-squared and the standard deviation of residuals as measures of forecasting uncertainty.

Diverse protagonist
Female
Portfolio management
Regression analysis
Risk analysis
Security analysis
Diversity case
8pp
Published sources
UVA-QA-0453TN (14pp)

9-605-054
ZIPCAR: INFLUENCING CUSTOMER BEHAVIOR
Frei, FX
Rodriguez-Farrar, H
Harvard Business Publishing
Used in the first module of a Harvard Business School course on Managing Service Operations, which addresses managing the operating role of customers. At Zipcar, customers share the use of cars and, as a result, rely on each other for their service experience. Customers are required to keep the car clean and the gas tank full and to return the car on time. Told from the perspective of two customers: Sal Fishman, who has a car and is running late at an interview, and Anita Karr, who has just arrived at her reserved car’s empty parking spot.

United States; 22 employees; 2004
Operations management
Innovation
Organizational behavior
Change management
Human resource management
Brands
30pp
Field research
5-606-032 (32pp)
5-608-041 (23pp)
Economics, Politics and Business Environment

9-792-060
ACID RAIN: THE SOUTHERN COMPANY (A)
Reinhardt, 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
7pp
Field research
5-794-043 (25pp)

9-707-031
BRAZIL UNDER LULA: OFF THE YELLOW BRIC ROAD
Musacchio, A
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
Business conditions
Macroeconomics
Economic development
International trade
25pp
Field research
5-708-049 (19pp)

9-710-017
COSAN: THINKING OUTSIDE THE BARREL
Reinhardt, FL
Maurer, N
Reisen de Pinho, R
Harvard Business Publishing

The Cosan case introduces students and executive education participants to political economy and business strategy in the biofuels industry. Cosan, based in Brazil, is the largest grower and processor of sugarcane in the world, and the largest sugar and ethanol producer in Brazil; it is also the world’s largest exporter of ethanol for vehicle fuels. Rubens Ometto, Cosan’s CEO, has staked out a leading position in the Brazilian ethanol and sugar industries by virtue of his efficiencies in agricultural production and in downstream logistics. He now needs to consider whether, and how aggressively, to expand abroad, either with production facilities or by exporting Brazilian output. He also needs to decide the appropriate vertical structure for the firm: whether he should be involved more extensively in agriculture, processing, distribution, or retail. The answers to these questions depend on his views of the future of the industry, and on the governmental institutions that will affect the distribution of value along the value chain.

South America, Brazil; Gross revenue: $1.7 billion; 2008
Global business
Energy
International business
Competitive advantage
Corporate strategy
Business & government relations
Natural resources
Strategy
35pp
Field research

213-001-1
E-ESTONIA: AN INSPIRATION TO THE WORLD
Naganathan, P
Amity Research Centre

Estonia, located in the Northern part of Europe and surrounded by the Baltic Sea in the west, was considered as one of the most liberal economies in the world. After gaining freedom from the Soviet rule in 1991, Estonia was left with minimum resources and infrastructure. But, the visionary leaders helped the country to mark its presence among the world countries in a short period of time. The leaders understood that ‘Internet’ was the key ingredient for the development of the country and strived towards building an e-society combining the government, people and the technology together. The result was ‘e-Estonia’, one of the most advanced e-societies in the world - an incredible success story that grew out of a partnership between a revolutionary government, participative ICT sector and switched-on-tech-savvy citizens. The success of e-governance had helped Estonians and the Estonian nation to enjoy a wide range of e-solutions. In addition to this, the model became a paradigm for others who wished to follow the same path. Thus, the case study was set to analyse the successful e-governance model of Estonia and examine whether it could be considered as an effective model by other countries to follow and succeed.

Estonia; Administrative; 2012
Estonia
Government
e-governance
e-Estonia
Information and communication technology(ICT)
Online services
Skype
Toomas Hendrik Ilves
Estonian Kroon
Economy
Tiger Leap
Electronic ID card
Internet
Cyber security
Public
15pp
Published sources
213-001-8 (8pp)
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.

California; 1980
Managerial economics
Risk management
Decision analysis
Decision trees

9-181-027
FREEMARK ABBEY WINERY
Krasker, WS
Harvard Business Publishing

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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?

Swedem, India; $1.2 billion revenues, 90,000 employees; 1995
Business ethics
Business growth
Social enterprise
Outsourcing
Social responsibility
Publicity
International management
International operations
Crisis management
Values
Suppliers
Human resource management
Developing countries
13pp
Field research
5-907-407 (18pp)

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

9-707-038
JOURNEY TO SAKHALIN: ROYAL DUTCH/ SHELL IN RUSSIA (C)
Supplement
Abdelal, R
Vandamme, MN
Harvard Business Publishing
Supplements the (A) case.
Energy
Foreign investment
Globalization
Strategic alliances
9pp
Published sources

9-409-003
MANAGING A GLOBAL TEAM: GREG JAMES AT SUN MICROSYSTEMS, INC (A)
Neeley, T
DeLong, TJ
Harvard Business Publishing
Greg James, a global manager at Sun Microsystems, Inc, sets out to meet with his entire 43-member customer implementation team spread across India, France, the United Arab Emirates, and the United States of America to resolve a dire customer system outage as required by a service agreement. Rather than finding a swift resolution to the rapidly escalating customer situation that motivated his trip, he finds himself facing distributed work, global collaboration, conflict and management issues that are threatening to unravel his team.

United Arab Emirates, United States, France, India; 25 billion, 35000 employees; 2007
Interpersonal relations
Global business
International business
Work force management
Technology
Teams
Work life balance
15pp
Field research
5-410-014 (22pp)

211-018-1
THE TRANSPORTATION CLUSTER IN PERU: A FORTHCOMING CHALLENGER OF THE PANAMA CANAL?
Esposito, M
Delbar, J
Garrique, F
Moraru, D
Garg, H
Hu, Y
Xia, F
Manosalva, A
Groupe Grenoble Ecole de Management
The Peruvian GDP has grown to its fastest rate reaching 9.5% up to the third quarter of 2010. The expected growth for the whole of 2010 is 9%, one of the stronger rates in the world, and the fastest growing economy in the Americas. This has paved the road for foreign investment rate to get the highest level ever with more than 50 billion dollars invested in Peru at an accumulated level by the end of 2010. With this case we are going to understand...
how Peru is growing thanks to the development of all its infrastructures in transportation, which is positioning itself as a viable alternative to what has been, since decades, the hegemony of the Panama Canal, with regards to trans-oceanic transportation. Initiated in Peru, and rapidly expanded to the positive involvement of Brazil and Bolivia, this forthcoming cluster presents itself as a real opportunity for South American’s co-operation, beyond the current trade agreements, into a much more solid microeconomic partnership.

**Peru; Transport; Middle size; 2010**
**Cluster**
**Competitiveness**
**Economic theory**
**Economic competitiveness**
**South America**
**Microeconomics**
**Economic development**

31 pp
Published sources

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**203-006-1**
**VOLVO-SCANIA: Mergers and Competition Policy**

Traca, D
Strauss-Khan, V
Krinks, P
*INSEAD*

On March 2000, the European Commission rejected Volvo’s application for competition clearance of the Scania acquisition on the grounds that it would give the merged firms a virtual monopoly in Sweden and a clearly dominant position in the Nordic area. Such a case leads to the following questions:

1) why is competition policy necessary?
2) how do you measure market power?
3) how to define the market? The case discusses the economic analysis of mergers and the parameters of their regulation. It allows the analysis of the determinants of merger activity from a corporate perspective. It also looks at the theory and the practice of merger regulation and aims at discussing the main aspect of competition law, ie, the abuse of a dominant position. A particular emphasis is made on the definition of the relevant market while assessing market power abused.

**Sweden; Trucks and buses - US SIC: 371; Volvo sales in 1999: 125,019 SEK; 2000**
**Mergers**
**Abuse of market power**
**Relevant market**
**Competition policy**
**Truck industry**
**Market share**

15 pp
Generalised experience

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**4269**
**UNITED CEREAL: Lora Brill’s Eurobrand Challenge**

Bartlett, CA
Carlson, C
*Harvard Business Publishing*

The case, set within the European organization of a giant multinational breakfast foods company, describes a launch decision for a new cereal product. As the case evolves, the decision has major strategic and organizational implications for Lora Brill, European VP. The case focuses especially on two important decisions facing Brill: Should Healthy Berry Crunch become the company’s first Eurobrand and be introduced in a co-ordinated manner Europewide? And, from an organizational perspective, should she create Eurobrand Teams to implement her proposed Eurobrand concept?

**West Germany, Europe; 2010**
**Organizational design**
**Organizational structure**
**Market entry**
**General management**
**International R&D**
**Marketing strategy**
**Strategy**
**Subsidiaries**
**Multinational corporations**

10 pp
4270 (1.2 pp)
For several months, founder-CEO Evan Williams has felt trapped, unable to control Odeo and its strategic direction. He longs for the ‘simple’ days of Blogger, the previous venture he had co-founded. Although his Blogger experiences had included a major blow-up with his co-founder that had resulted in legal proceedings, a brush with near-bankruptcy, and the laying off of his entire team, Williams has become even more disillusioned with his current venture, Odeo. Odeo, a podcasting pioneer, had debuted almost two years before and had gotten off to a very strong start, with a high-profile debut at a prominent industry conference, coverage on the front page of the New York Times’ Business section, and the raising of a large round of financing from a top-tier venture capital firm. His attempts to find an acquirer have failed, layoffs have begun, and he is now facing a meeting with an increasingly hostile board of directors. At that meeting, he is very tempted to resign so he can move on to his next project and regain the thrill of being an entrepreneur.

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For several months, founder-CEO Evan Williams has felt trapped, unable to control Odeo and its strategic direction. He longs for the ‘simple’ days of Blogger, the previous venture he had co-founded. Although his Blogger experiences had included a major blow-up with his co-founder that had resulted in legal proceedings, a brush with near-bankruptcy, and the laying off of his entire team, Williams has become even more disillusioned with his current venture, Odeo. Odeo, a podcasting pioneer, had debuted almost two years before and had gotten off to a very strong start, with a high-profile debut at a prominent industry conference, coverage on the front page of the New York Times’ Business section, and the raising of a large round of financing from a top-tier venture capital firm. His attempts to find an acquirer have failed, layoffs have begun, and he is now facing a meeting with an increasingly hostile board of directors. At that meeting, he is very tempted to resign so he can move on to his next project and regain the thrill of being an entrepreneur.

California; $1 million revenue, 1-14 employees; 1999-2005
Financing
Information technology
Tradeoff analysis
Entrepreneurship
Teams
2pp
Field research
5-809-137 (19pp)

807-016-1
FRESH TRADING (A)
Bates, J
Mitchell, J
Rivers, O
London Business School

‘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
20pp
Field research

9-805-019
HOW VENTURE CAPITALISTS EVALUATE POTENTIAL VENTURE OPPORTUNITIES
Roberts, MJ
Barley, L
Harvard Business Publishing

Four venture capitalists from leading Silicon Valley firms are interviewed about the frameworks they use to evaluate potential venture opportunities. Questions include: How do you evaluate the venture’s prospective business model? What due diligence do you conduct? What is the process through which funding decisions are made? What financial analyses do you perform? What role does risk play in your evaluation? and How do you think about a potential exit route? Russell Siegelman, partner at Kleiner Perkins Caufield & Byers; Sonja Hoel, managing director at Menlo Ventures; Fred Wang, general partner at Trinity Ventures; and Robert Simon, director at Alta Partners, are interviewed.

Silicon Valley; 2004
Business models
Interviews
Entrepreneurial finance
Entrepreneurship
Risk assessment
Financial analysis
19pp
Field research
5-805-055 (5pp)

9-390-132
INGVAR Kamprad and IKEA
Bartlett, CA
Nanda, A
Harvard Business Publishing

Traces the development of a Swedish furniture retailer under the leadership of an innovative and unconventional entrepreneur whose approaches redefine the nature and structure of the industry. Traces IKEA’s growth from a tiny mail order business to the world’s largest furniture dealership. Describes the innovative strategic and organizational changes Kamprad made to achieve success. In particular, focuses on his unique vision and values and the way they have become institutionalized as IKEA’s binding corporate culture. The trigger issue revolves around whether this vital ‘corporate glue’ can survive massive expansion into the United States and the Eastern Bloc and Kamprad’s replacement as CEO by a ‘professional manager’.

Sweden, Switzerland, Europe; Furniture, retail industry; $2.5 billion revenues; 1989
Business growth
Business history
Operations management
Management philosophy
Organizational culture
Trade associations
Catalogs
Globalization
Values
Visionary management
Strategy
Succession planning
Suppliers
Design
20pp
Field research
5-395-155 (15pp)
Jim Sharpe, 11 years after receiving his MBA from Harvard and working for others, has finally become his own boss and 100% owner of a manufacturer of aluminum extrusions. After 10 months of an unfunded search, he acquires the business in an LBO and prepares to face his employees on the first day.

**Massachusetts; 50 employees, $5 million revenues**

- Operations management
- Business models
- Small & medium-sized enterprises
- Career planning
- Change management
- Entrepreneurship
- Pricing strategy
- Technology

13pp
Field research
5-806-175 (4pp)

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**Lit Motors**

Eisenmann, TR
Godden, A
Harvard Business Publishing

In mid-2012 Lit Motors had created both engineering and design prototypes and conducted initial customer tests on less than $75,000 of investment. Lit Motors’ founder, Daniel Kim had started the company to design and manufacture an efficient electric 2-wheeled vehicle. The company had refined the designs for the key technologies required and had a working prototype, an understanding of the manufacturing processes to be used and a list of the components required. They also had a design prototype that they had used to conduct customer tests and establish reactions to pricing levels.

At this point, management was aiming to raise $15M to get closer to manufacturing prototypes, but had they sufficiently proved out both the manufacturing feasibility and the market demand? How could they address the next hurdles in terms of partnership building, supply chain management and go-to-market strategy?

**50 million, start-up employees**

- Manufacturing costs
- Market segmentation
- Creativity
- Entrepreneurs
- Entrepreneurship

25pp
Field research

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**Onset Ventures**

Roberts, MJ
Tempest, N
Harvard Business Publishing

ONSET Ventures, is a venture capital firm focused on seed-stage start-ups. Describes the principles and strategies the firm has developed over its life. Also presents an in-depth discussion of one of the seed-stage companies ONSET has been incubating.

**California; 6 employees; 1997**

- Financing
- Entrepreneurial finance
- Venture capital

30pp
Field research
5-899-052 (5pp)
Barber shops in Japan traditionally provided an integrated ‘total’ service involving shampoo, shaving, and hair cutting and styling. The cost was high and it was very time consuming. The barbers’ associations set the norm, and there were few alternatives. In 1995 the founder of QB House introduced a new concept based on a much cheaper and quicker service offering hair cutting only. This quickly established a niche, and was servicing a broad clientele of over 300,000 monthly by the end of 2001.

The case outlines the many challenges encountered in implementing the idea of overcoming opposition from the barbers’ association and ministry bureaucrats. It describes the original and highly cost-efficient supply-chain systems introduced; the use of IT; the novel shop layout and design; and the founder’s ‘can do’ attitude to a technical innovation the experts declared impractical.

### E442
**SAND HILL ANGELS: TO FUND OR NOT TO FUND**

Han, A
Strebulaev, I
**Stanford Business School**

Angel investment in new technology firms has grown in prominence and popularity in the 21st century, particularly in the Silicon Valley. This case reviews the landscape of angel investors, describes the decision making process of an angel consortium operating in the Silicon Valley, and provides profiles of: three actual members of the angel consortium and four real investment opportunities reviewed by the group. Instructors may use the profiles to simulate the experience of investing as part of an angel consortium.

**Silicon Valley; Sand Hill Road; United States; California, Angel investment; Venture capital; 2012**

17pp
Published sources 810-001-8 (7pp)

### THE ‘JAIPUR FOOT’

Viassa Monteiro, E
**AESE - Escola de Direccao e Negocios de Matos, L**
**ZON Multimedia**

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.

**India; Health care; 2003**

17pp

Published sources 810-001-8 (7pp)
A 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**

5pp

**Generalised experience**

**BUSINESS ETHICS AND GOVERNANCE ISSUES AT HP: THE PRETEXTING CONTROVERSY**

Gupta, V

Perepu, I

**IBS 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; (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.

**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

Kona II

The HP Way

Code of ethics

HP’s values

20pp

Published sources

707-009-8 (6pp)

**CHRS AND ALISON WESTON (B)**

Sucher, SJ

Moore, C

*Harvard Business Publishing*

Prepare students to make ethically charged decisions by exploring moral disengagement, a process that enables individuals to engage in negative behaviors, from small misdeeds to great atrocities, without believing they are causing harm or doing wrong.
United States; 2006  
Business ethics  
Accountability  
Values  
Conflicts of interest  
7pp  
Field research  
5-613-018 (9pp)

9-399-110  
GUARANTY TRUST BANK PLC  
NIGERIA (A)  
Paine, LS  
HoganJr, 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.

Africa, Nigeria; Banking; $200 million revenues, 600 employees; 1996-1998  
Business conditions  
business ethics  
organizational culture  
organizational development  
social responsibility  
legal aspects of business developing countries  
15pp  
Field research

9-906-415  
IKEA’S GLOBAL SOURCING CHALLENGE: INDIAN RUGS AND CHILD LABOR (B)  
Bartlett, CA  
Dessain, V  
Sjoman, A  
Harvard Business Publishing  
Supplements the (A) case.  
Crisis management  
Publicity  
Developing countries  
International management  
International operations  
712-037-1  
INNOCENT DRINKS: MAINTAINING SOCALLY RESPONSIBLE VALUES DURING GROWTH (A)  
Moore, C  
Fischer, L  
McCarthy, M  
London Business School  
This case explores the process a social venture went through in raising funds to expand its business. The case focuses on the risks and opportunities of possible funding methods, and actions that can be taken to protect key values throughout the process. The case provides an opportunity to debate the challenges involved in growing socially responsible businesses, how social responsibility can be embedded in a company’s value chain, and whether corporate size benefits or constrains an organization’s ability to operate in a socially responsible way.

UK; Food & beverage; 500 employees; 2006-2010  
Socially responsible business  
CSR  
Entrepreneurial growth  
4pp  
Field research  
712-037-8 (25pp)

712-038-1  
INNOCENT DRINKS: MAINTAINING SOCALLY RESPONSIBLE VALUES DURING GROWTH (B)  
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UK; Food & beverage; 500 employees; 2006-2010  
Socially responsible business  
CSR  
Entrepreneurial growth  
4pp  
Field research  
712-037-8 (25pp)

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 flotation 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 and consumer research; (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; (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

28pp

Field research
708-041-8 (14pp)

**NAC2904**

**MTI: CASH BUDGETING IN TIMES OF A SHARP BUSINESS DOWNTURN**

Myers, G
Young, WW

NACRA - North American Case Research Association

Bill Young, president and CEO of MTI was in Victoria, BC on September 11, 2001. In the aftermath of the terrorist attacks on the World Trade Center and the Pentagon, Bill knew that his Seattle, Washington-based market research firm faced numerous challenges. The economic turmoil which was certain to follow a national disaster of this magnitude would have a serious impact on the business. This was particularly true since reliable market research depended heavily on consumer confidence and perceptions about the future. Bill was unsure how to respond to the challenges he faced. It was in this highly charged atmosphere of fear and anxiety that MTI’s management team met (once they were able to return to Seattle) on September 20th to make decisions about their response to the crisis.

24pp

Field research
NAC2904TN (20pp)

**CG4A**

**ORACLE’S HOSTILE TAKEOVER OF PEOPLESOF (A)**

Daines, R
Nair, V
Drabkin, D

Stanford Business School

In June of 2003, PeopleSoft management announced a merger with JD Edwards. Within hours of the announcement, Oracle had launched an hostile takeover attempt of PeopleSoft. Oracle’s bid raised enormously difficult questions for the PeopleSoft board. Oracle’s bid raised questions about whether PeopleSoft products would continue to be supported and customers became reluctant to buy PeopleSoft software. Managers were therefore faced with a decision about how to respond to the bid and the uncertainty it created. To regain customer and analyst confidence, PeopleSoft’s board considered adopting a Customer Assurance Program in which customers would receive a cash payment in the event of a takeover. This promise of a cash payment would encourage customers to invest in PeopleSoft productions, but also created a liability that might be large enough to derail Oracle’s takeover attempt altogether. The board therefore had to consider the implications of a Customer Assurance Program for the welfare of the firm, its customers and its duties to shareholders faced with a tender offer.

**Enterprise software**

Acquisitions
Takeover
Board of directors
Corporate governance
Software
Product market competition
Market for corporate control
Fiduciary duties

24pp

Published sources

**711-015-1**

**PEPSICO INDIA: ON ROAD TO SUSTAINABLE DEVELOPMENT?**

Mohanty, S
Banerjee, I

Amity Research Centre

PepsiCo, one of the world’s largest food and beverage companies, entered the Indian market in 1989. Over the years the company grew to become a leading beverage manufacturer in India. However, during 2003-06, the company faced severe criticism and the wrath of various government agencies and NGOs due to the existence of pesticides in its products. Besides, there was also public protest against water exploitation by the soft drink makers. In the background of all these controversies, PepsiCo started its corporate social responsibility (CSR) and sustainable development initiatives in India. The company plunged into the image building exercise with a great intensity and carried forward its CSR activities in association with state governments (like Gujarat) and institutions like TERI (The Energy Research Institute). The company also pioneered several major initiatives to replenish water in the country. It rationalised the water use in its manufacturing plants and undertook water recharge projects and water conservation projects in agriculture. In addition, the company started solid waste management initiatives in partnership with Exnora (an environmental NGO) in the country. PepsiCo's business was thus based on its sustainability vision.
Ethics and Social Responsibility

...commitments that PepsiCo made toward society and these were divided into four broad areas: Performance, Human Sustainability, Environmental Sustainability, and Talent Sustainability. Despite some progress made by the company in these fronts, since mid-2011, Nooyi had come under fire from key stakeholders such as shareholders and bottlers who contended that her focus on ‘Performance with Purpose’ had come at the cost of positioning of the company’s products and had hurt sales. They felt that its archrival, the Coca Cola Company had gained the upper hand during Nooyi’s tenure. This case is meant for MBA/MS-level students as part of the Business Ethics/Corporate Social Responsibility curriculum. It can also be used in a core strategy curriculum. This case is designed to enable students to: (1) Understand the main issues and challenges related to corporate social responsibility for a global company; (2) Study the sustainable development strategy adopted by PepsiCo; (3) Understand the various challenges faced by organizations regarding the impact of their operations on the society and environment; (4) Appreciate the importance of a company’s top management in guiding the company to implement key strategies like sustainable development; (5) Understand the reasons for the criticism of Nooyi and her ‘Performance with Purpose’ strategy; (6) Explore the strategies which can be adopted by PepsiCo to improve its sustainability record.

US, Global; Food and beverage; Very large; 2006-2011

Sustainable development
‘Performance with Purpose’ strategy
Business ethics
Corporate social responsibility
Operating performance
Human sustainability
Environmental sustainability
Talent sustainability
Stakeholder tension
Shared value
Leadership
Change management
PepsiCo
Indra Nooyi
18pp
Published sources
712-014-8 (13pp)
Finance, Accounting and Control

9-201-028
AIRBUS A3XX: DEVELOPING THE WORLD'S LARGEST COMMERCIAL JET (A)
Esty, BC
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
Business & government relations
Project finance
Corporate strategy
Capital expenditures
Valuation
Demand analysis
Product development
Product positioning
20pp
Published sources
5-201-040 (31pp)

9-197-085
COMPAGNIE DU FROID, SA
Simons, RL
Davila, A
Harvard Business Publishing

The owner of an ice cream company must evaluate the performance of three regional businesses. To do the analysis, students must flex the budget by seasonal temperature; calculate revenue, volume, price, and efficiency variances; analyze the effects of transfer prices; and calculate return-on-investment. In addition, the owner considers how to set strategic boundaries and how to compensate his managers.

France; $34 million revenues; 1996
Profitability analysis
Performance management
Performance measurement
Employee benefits
US Food and Drug Administration
Valuation
Investments
Variance analysis
Metrics
Return on investment
Compensation
Incentives
Budgeting
11pp
Generalised experience
5-198-035 (22pp)

9-198-048
CITIBANK: PERFORMANCE EVALUATION
Simons, RL
Davila, A
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; 1996
Control systems
Quality management
Performance appraisals
Performance management
Performance measurement
Employee-employer expectations
Valuation
Customer satisfaction
Strategy
Balanced scorecard
Implementing strategy
Incentives
9pp
Field research
5-199-047 (13pp)

9-292-140
ARUNDELL PARTNERS: THE SEQUEL PROJECT
Luehrman, TA
Teichner, WA
Harvard Business Publishing

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

California; $2.1 billion revenues; 1992
Option pricing
Managing uncertainty
Capital budgeting
Real options
Decision trees
Securities analysis
19pp
Field research
5-295-118 (14pp)

9-158-001
BIRCH PAPER COMPANY
Harlan, N
Rotch, W
Harvard Business Publishing

Involves transfer pricing among three divisions of a company:
Transfer pricing
Cost analysis
Decentralization
2pp
Field research
5-199-057 (9pp)

9-200-069
DEBT POLICY AT UST INC
Mitchell, M
Harvard Business Publishing

UST, Inc is a very profitable smokeless tobacco firm with low debt compared to other firms in the tobacco industry. The setting for the case is UST’s recent decision to substantially alter its debt policy by borrowing $1 billion to finance its stock repurchase program.
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; $5.3 billion revenues, 12,400 employees; 1994
- Financial strategy
- Dividends
- Corporate strategy
- Electric power
- Deregulation
- Securities analysis

17pp
Published sources
5-296-072 (21pp)

9-295-059
DIVIDEND POLICY AT FPL GROUP, INC (A)
Esty, BC
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; $5.3 billion revenues, 12,400 employees; 1994
- Financial strategy
- Dividends
- Corporate strategy
- Electric power
- Deregulation
- Securities analysis

17pp
Published sources
5-296-072 (21pp)

9A95B029
LAURENTIAN BAKERIES
Foerster, SR
Barbara, R
Ivey Publishing
The vice-president of operations must submit a valuation and recommendation to expand his plant to handle a doubling of sales over the next three years. Students will have to understand the process review for capital allocation in this large corporation in order to make their recommendation, as well as complete a discounted cash flow.

Canada; Food and kindred products; Large; 1995
- Capital budgeting
- Planning

14pp
Field research
8A95829 (9pp)

9-289-047
MARRIOTT CORPORATION: THE COST OF CAPITAL
Ruback, RS
Harvard Business Publishing
Gives students the opportunity to explore how a company uses the Capital Asset Pricing Model (CAPM) to compute the cost of capital for each of its divisions. The use of Weighted Average Cost of Capital (WACC) formula and the mechanics of applying it are stressed.

1988
- Capital costs

10pp
Field research
5-298-081 (18pp)

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

8pp
Published sources
UVA-F-1353TN (5 pp)

9-202-027
OCEAN CARRIERS
Stafford, E
Chao, A
Luchs, K
Harvard Business Publishing
In January 2001, Mary Linn, VP of finance for Ocean Carriers, a shipping company with offices in New York and Hong Kong, was evaluating a proposed lease of a ship for a three-year period, beginning in early 2003. The customer was eager to finalize the contract to meet his own commitments and offered very attractive terms. No ship in Ocean Carrier’s current fleet met the customer’s requirements. Mary Linn, therefore, had to decide whether Ocean Carriers should immediately commission a new capsize carrier that would be completed two years hence and could be leased to the customer.

Hong Kong, New York; 2001
- Forecasting
- Capital budgeting
- Cash flow
- Valuation
- Present value

6pp
Field research
5-202-029 (7 pp)

A156
SAVI TECHNOLOGY: INDIRECT COSTS AND JOB COSTING
Huddart, S
Paloma, BF
Stanford Business School
This case examines the accounting system of a small company that produces customized electronic equipment under cost-plus federal procurement contracts as well as fixed-price commercial agreements. The facts in this case are drawn from a high technology start-up company headquartered in Palo Alto, California. Principal issues for discussion are: (1) the extent to which the structure of the accounting system (chart of accounts, cost pools, and allocation bases) is determined by government procurement regulations; (2) the appropriateness of a government-mandated cost model for internal decision-making purposes; (3) the incentives created by the accounting system to subcontract work associated with cost-plus contracts and to undertake in-house work associated with
fixed-price contracts; (4) the difficulty of determining the profitability of individual contracts, even in a small industrial concern; (5) the differences among cost categorizations for different business purposes, like financial reporting, reporting to government auditors, and internal decision-making (e.g., cost may be treated as inventoriable for one purpose, but may be treated as period costs for another purpose).

California, USA; High technology; 1992
Research and development
Cost allocation
US government agencies
Procurement
Incentives
16pp
Field research
A156TN (6pp)

A155A
STANFORD UNIVERSITY (A): INDIRECT COST RECOVERY
Huddart, SG Sarkar, RG
Stanford Business School
In July of 1990, Stanford University enjoyed wide praise for cutting costs. Less than one year later, Stanford was at the center of a rolling dispute over indirect costs billed to the government for federally sponsored research. The case introduces students to procurement and audit from several perspectives the regulator, the purchaser, and individuals within the supplier organization. The determination of costs under procurement regulations and contracts receives special attention. The not-for-profit setting is novel. Principal issues for discussion are: (1) the costs and benefits of various forms of procurement contracts; (2) the effect of the cost allocation scheme on the incentives faced by individuals within Stanford University and the government; and (3) the role of auditors and audited cost information in the procurement process. The case also raises certain ethical and political issues.

USA; Higher education; 1991
Cost allocation
US government agencies
Political pressures
Auditing
Non-profit organization
Procurement
20pp
Field research

9-101-019
VYADERM PHARMACEUTICALS
Simons, RL
Reinbergs, IA
Harvard Business Publishing
In 1999, the new CEO of Vyaderm Pharmaceuticals introduces an Economic Value Added (EVA) program to focus the company on long-term shareholder value. The EVA program consists of three elements: EVA centers (business units), EVA drivers (operational practices that improve EVA results), and an EVA-based incentive program for bonus-eligible managers. Over the next two years, the implementation of the program runs into several stumbling blocks, including resistance from regional managers, who push for line of sight" EVA drivers; the difficulty of managing a large number of EVA centers; and unexpected bonus adjustments due to poor EVA performance. The decision point focuses on the competitive situation in a business unit where the sudden exit of a competitor produces an unexpected one-time windfall in earnings. Vyadern’s top managers struggle with the question of whether to adjust the EVA results to prevent demoralizing managers in future years when EVA results are likely to decline.

Washington; $2.7 billion revenues; 17,500 employees; 2000
Control systems
Organizational design
Performance measurement
Employee compensation
Eva executive committees
Incentives
15pp
Field research
S-101-043 (16pp)

9-201-096
VODAFONE AIRTOUCH’S BID FOR MANNESMANN
Kedia, S
Harvard Business Publishing
Vodafone’s bid for Mannesmann was the largest ever cross-border hostile bid. This case examines the economic, financial, and corporate governance issues in the deal.

England; £13 billion revenues, 5,000 employees; 1999
Acquisitions
International business
Negotiation
20pp
Published sources
S-202-087 (15pp)
Human Resource Management / Organisational Behaviour

9-495-031
CHARLOTTE BEERS AT OGLIVY & MATHER WORLDWIDE (A)
Ibarra, H
Sackley, N
Harvard Business Publishing
Examines Beer’s actions on assuming leadership of Ogilvy & Mather Worldwide, the world's sixth largest advertising agency, during a period of rapid industry change and organizational crisis. Focuses on how Beers, the first outsider chief executive officer, engages and leads a senior team through a vision formulation process. Chronicles closely the debates among senior executives struggling to reconcile creative, strategic, and global vs local priorities. Sixteen months later, with a vision statement agreed upon, Beers faces a series of implementation problems. Turnaround has begun, but organizational structures and systems are not yet aligned with the firm’s new direction. Concludes as Beers must decide how to work best with her senior team to achieve alignment in 1994.
7,000 employees, US$750 billion revenues; 1992-1993
Leadership
Organizational change
Multinational corporations
18pp
Field research
5-495-033 (16pp)

9-494-005
ERIK PETERSON (A)
Gabarro, JJ
Harvard Business Publishing
Describes the problems facing a recent MBA graduate in his job as general manager of a mobile cellular company owned by a parent corporation. Raises issues of corporate divisional relationships and the difficulties facing an inexperienced manager who seems to be receiving little support.
United States
Leadership
Organizational behavior
Organizational design
18pp
Field research
5-496-046 (10pp)

9-494-006
ERIK PETERSON (B) Supplement
Gabarro, JJ
Harvard Business Publishing
This one-paragraph case adds to the data presented in the (A) case.
Communications industry
Entertainment industry
Interpersonal relations
Leadership
Organizational behavior
Organizational design
Subsidiaries
Superior & subordinate
1pp
Field research
5-496-046 (10pp)

9-494-007
ERIK PETERSON (C) Supplement
Gabarro, JJ
Roberts, MJ
Harvard Business Publishing
Describes the outcome of Erik Peterson’s one-day meeting with his superior and the events of the subsequent day’s meeting with the president and vice president of operations of the parent company. Students should have read the (A) and (B) cases. The (C) case may be assigned with the (D) case.
Organizational behavior
Interpersonal relations
Leadership
Subsidiaries
Organizational design
3pp
Field research
5-496-046 (10pp)

9-494-008
ERIK PETERSON (D) Supplement
Gabarro, JJ
Roberts, MJ
Harvard Business Publishing
Implicitly raises the question of what Peterson should do to extricate himself from his difficulties. Should he consider resignation, go directly to the company’s president to seek relief, or clarify the situation within the company?
Communications, entertainment industry
Organizational behavior
Interpersonal relations
Leadership
Subsidiaries
Superior & subordinate
Organizational design
3pp
Field research
5-496-046 (10pp)

409-008-1
LEADING ACROSS CULTURES AT MICHELIN (A)
Meyer, E
Gupta, S
INSEAD
A French executive with Michelin is expatriated from Clermont Ferrand to South Carolina. Initially confident in his leadership skills, the protagonist learns quickly that many aspects of leading a team are quite different in the American environment. Although he ultimately succeeds, Chalon initially struggles to understand the different culture in which he is working and adapt his style accordingly. The teaching objectives are: (1) to help participants of any nationality understand the complexity of leading in a multi-cultural environment; (2) establish that ideas about key leadership elements such as providing constructive feedback and motivating employees may vary dramatically from one cultural environment to another; (3) identify and develop strategies for maximising success when leading in a cross-cultural environment.
United States; Tyres
Leadership
Organizational behavior
Organizational design
Multicultural / multi-cultural
Performance feedback
National culture
International human resources
6pp
Field research
409-008-8 (17pp)
A French executive with Michelin is expatriated from Clermont Ferrand to South Carolina. Initially confident in his leadership skills, the protagonist learns quickly that many aspects of leading a team are quite different in the American environment. Although he ultimately succeeds, Chalon initially struggles to understand the different culture in which he is working and adapt his style accordingly. The teaching objectives are: (1) to help participants of any nationality understand the complexity of leading in a multi-cultural environment; (2) establish that ideas about key leadership elements such as providing constructive feedback and motivating employees may vary dramatically from one cultural environment to another; and (3) identify and develop strategies for maximising success when leading in a cross-cultural environment.

**United States; Tyres**
- Cross-cultural
- Intercultural / inter-cultural
- Multicultural / multi-cultural
- Performance feedback
- National culture
- Leadership
- Global leadership
- International human resources

3pp  
Field research  
409-008-8 (17pp)

**9-902-132**  
**MASSACHUSETTS FINANCIAL SERVICES**

Hall, BJ  
Liu, JP  
*Harvard Business Publishing*

This case describes the compensation and performance evaluations at an investment management company. The senior management team of Massachusetts Financial Services (MFS) Investment Management was contemplating an introduction of hedge funds at the firm, but many believed that typical hedge fund manager pay (20% of the upside) would harm the MFS culture, which glorified ‘star performance but not star egos’. The case presents the MFS compensation philosophy and plan (including the plan’s emphasis on subjective compensation), the types of people it attracted, the resulting culture, and how the senior management team approached the hedge funds question. It includes side discussion on firm-specific human capital.

**Massachusetts; 2,800 employees; 2001**
- Performance measurement
- Investment management
- Portfolio management
- Compensation
- Incentives

26pp  
Field research  
5-902-196 (21pp)

**9-405-063**  
**MESSIER’S REIGN AT VIVENDI UNIVERSAL**

Khurana, R  
Beyersdorfer, D  
Dessain, V  
*Harvard Business Publishing*

Focuses on a crisis in the board at Vivendi. Highlights the difficulties that arise when dramatic pressure from outside the boardroom affects boardroom dynamics. In this case, there are two events. The first is an unexpectedly large financial loss and a pending cash flow crisis that forces Vivendi’s directors to deal with the issue of dismissing their CEO (chief executive officer). Whatever they decide, their actions will be scrutinized by the press and investors and will likely be revisited in a legal environment. The second is the board diagnosing its role in the financial crisis by approving a series of costly acquisitions in recent years that led to the crisis.

**France; 25.5 million euros revenues, 41,264 employees; 1994-2002**
- Corporate governance
- Crisis management
- Leadership

28pp  
Published sources  
5-407-098 (11pp)

**408-083-1**  
**RICHARD MURPHY AND THE BISCUIT COMPANY (A)**

Jarrett, M  
Ingram, K  
*London Business School*

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

13pp
Field research
408-083-8 (7pp)

**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, faces the difficult decision of whether to promote Parson to Managing Director. Nasr must also complete Parson’s performance evaluation summary and conduct Parson’s performance review.

**2,000 employees; $1 billion revenues; 1995**

- 360-degree feedback
- Organizational behavior
- Organizational culture
- Performance appraisals
- Employee promotions
- Employee retention
- Personal strategy & style
- Relationship management

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

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**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) analyse how Sony can make its products competitive and foster innovation; (4) examine the efficacy of the reorganisation program initiated by Stringer in turning around Sony and solving its problem relating to the silo culture; (5) 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.

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of the critical West Coast market from 26% to 45%. This case considers how Southwest had developed a sustainable competitive advantage and emphasizes the role of human resources as a lever for the successful implementation of strategy. This case asks whether competitors can successfully imitate the Southwest approach.

Southwest United States; Airlines; 12,000 employees; $2.2 billion revenues; 1994

- Human resources management
- Strategy
- Strategy implementation
- Organizational behavior

27pp
Field research

conflict with clients, other staff members, and with Keller himself. Keller must decide the best course of action to take with this difficult employee in an environment in which the industry is rapidly changing and growing and the war for talent is strong. He must also consider what comprises an effective performance review and how his own behavior impacts Brodsky's poor performance.

Europe; USS 100 million sales
Management styles
Performance appraisals
Superior & subordinate
Leadership
Human resource management

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

912-023-1
DIGITAL MARKETING AT NIKE: FROM COMMUNICATION TO DIALOGUE
Purkayastha, D
Rao, AS
IBS Center for Management Research
This case is about the digital marketing strategies of leading sportswear and apparel company, Nike, aimed at reaching its target audience. Nike, which is regarded as a marketing powerhouse, started its digital marketing initiatives when it first launched its website ‘Nike.com’ in 1996 and its online store in 1999. Nike launched a service called ‘NikeID’ in 2005 which allowed its customers to design their own shoes online. The company then delivered these shoes to them. Nike later expanded its presence across social networking sites which were increasingly being used by its core customer base. It even launched its own social networking service called Nike+ in 2006. Customers could share their data regarding running records and other health statistics with other users through Nike+. In 2010, Nike launched a new business division called Nike Digital Sport (NDS). The objective of NDS was to develop devices and technologies which would allow its users to track their performance while helping the company get a hold over some vital consumer data. NDS released a new product called ‘FuelBand’ which could track the energy output of the wearer of the band when he/she was exercising. Over time, Nike reduced its focus on traditional marketing strategies and increased its spending on digital marketing. This case is meant for MBA/MS students as a part of the Information and Communication Technology/ Brand Management curriculum. This case is designed to enable students to: (1) Understand the growing importance of digital marketing in the marketing mix for companies around the world, (2) Analyze the reasons behind the growing clout of social media in marketing communications, (3) Discuss and debate the advantages that Nike has enjoyed by being an early adopter of digital marketing strategies; (4) Discuss whether Nike is following the correct strategy in reducing its focus on traditional marketing strategies and increasing its focus on digital marketing; (5) Explore the ways in which Nike can further use its digital marketing strategies to reach its target customer base; 6) Appreciate the merits of modern digital marketing when compared with the traditional marketing strategies.

Global: Sportswear and apparel; Very large; 2004-2012
Information and communication technology
Social media
Communication
Marketing communications
Digital marketing strategies
Brand management
Brand evolution
Online communities
Social network
Ambush marketing
Social Brand Score
Facebook brands
Brand value
17pp
Published sources
912-023-8 (4pp)

908-001-1
ERP IMPLEMENTATION FAILURE AT HERSEHY FOODS CORPORATION
Gupta, V
Perepu, I
IBS Center for Management Research
This case examines in detail, the reasons behind the failure of enterprise resource planning (ERP) implementation at the US based Hershey Foods Corporation. In late 1996, Hershey began modernising hardware and software systems in the company. The company was running on legacy systems, and with the impending Y2K problems, it chose to replace those systems and shift to a client / server environment. As per the original plan, it was to switch over to the new ERP system by April 1999. It chose three software vendors: SAP, Manugistics and Siebel for implementing different software modules. The project was running to schedule until January 1999 and when it came to the last leg of implementation, the company faltered and was only able to switch over to the new system in July 1999. Hard pressed for time, Hershey went in for Big Bang ERP implementation, which led to several problems pertaining to order fulfillment, processing and shipping. The retailers who ordered Hershey’s products could not get them on time, even though the company had ample supplies stocked at its warehouses. Hershey’s revenues dropped by 12% during the third quarter of 1999 compared to the third quarter of 1998. This case is designed to enable students to: (1) understand the process of ERP implementation in a large organisation; (2) study the circumstances that led to ERP implementation failure at Hershey; (3) evaluate the role played by top management in ERP implementation; and (4) examine the factors that led to success or failure of ERP projects. The case is aimed at MBA / PGDBA students as part of the IT and systems and enterprise resource planning curriculum.

US; Confectionery; Very large; 1997-2002
Hershey Foods
Enterprise resource planning
Enterprise-wide information system
mySAP.com
Legacy systems
Enterprise 21 project
Manugistics
SAP modules
Big Bang approach
SAP R/3 software
Inventory problems
Integration issues
Programme management
Executive leadership
Testing and training plan
15pp
Published sources
908-001-8 (4pp)

9A84E002
FIRESTONE CANADA INC
Bell, PC
Ivey Publishing
The president of Firestone Canada must decide whether or not to go ahead with the marketing program ‘Pay No Dough If It Doesn’t Snow’. This program, proposed by the Manager of Advertising and Dealer Relations, offers purchasers of Firestone Snow-Biter tires a refund based on the amount of snowfall during the winter.

Canada; Rubber and miscellaneous plastics products; Large; 1983
Advertising
Risk management
Statistical analysis
10pp
Field research
8A84E02 (4pp)
9-399-150
GE’S TWO-DECADE TRANSFORMATION: JACK WELCH’S LEADERSHIP
Bartlett, CA
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; $100 billion revenues, 293,000 employees; 1981-1998
Business policy
Organizational change
Six Sigma
Organizational culture
Organizational development
Corporate strategy
Transformations
Marketing
Goals
Change management
Succession planning
Leadership
Leadership development
Executives
Implementing strategy
Conglomerates

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

912-003-1
GOOGLE +: GOOGLE’S ULTIMATE ATTEMPT AT SOCIAL NETWORKING?
Purkayastha, D
Telang, A
IBS Center for Management Research

The case is organized into different sections. The first section is about the background and history of Google and the introduction of Google +. The next section is about the social networking market and the top players in it, followed by Google’s previous attempts at social networking. It then talks about the various features of Google +, the initial response to it, and the response by the competitors. The case focuses on understanding the growing importance of social networking websites for the advertisers as well as their growing popularity among people over the world using the story of Google - the search engine and Internet giant as a struggling player in the social networking arena, trying to compete against established players like Facebook and Twitter. The case also highlights the previous unsuccessful attempts by Google with its ‘Buzz’ and ‘Wave’, to understand why they did not do well. The questions that this case puts forward are whether Google has a real chance of succeeding this time with its Google + and whether it had finally got its attempt right.

Global; Information technology; Large; 2010-2011
Competition
Managing networked businesses
Strategy
Social networking
Social media
Microblogging
Google +
Facebook
LinkedIn
Twitter
Orkut
Wave
Buzz

16pp
Published sources
912-003-8 (6pp)

911-010-1
GREENPEACE, NESTLE AND THE PALM OIL CONTROVERSY: SOCIAL MEDIA DRIVING CHANGE?
Purkayastha, D
Chaudhari, A
IBS Center for Management Research

This case study is about how Greenpeace used social media to foster change in Nestle SA. Experts felt that the environmental protection group made clever use of social media and direct action against the European food processing giant. The campaign proved to have high impact, forcing Nestle to clarify its stance on palm oil and create a timetable for cleaning up its palm oil supply chain. This case is meant for MBA/MS students as part of an IT & systems/organizational behaviour curriculum. It can also be used in marketing management curriculum. This case is designed to enable students to:
1) Understand how information and communication technology (ICT) can be used in initiating change;
2) Evaluate the use of ICT, especially social media, in change management;
3) Understand the communications process in the particular context of social media;
4) Appreciate the importance of formulating a social media strategy and full time professionals for executing the same.

Europe; global; Consumer packaged goods; Very large; 2010-2011
Information and communication technology
Change management
IT in change management
Social media
Social media as change agent
Social media as communication and co-ordination tool
Anti-corporate media campaign
Supply chain

24pp
Published sources
911-010-8 (11pp)

912-012-1
KITCHEN AND INFO SYSTEMS - ROLE KITCHEN, BUYER: CASE (A)
Aba, O
Groupe Grenoble Ecole de Management

This case covers a two-party negotiation between the representatives of two European companies: Kitchen and Info Systems. Kitchen is a very successful,
This case study investigates the development in Kenya of M-PESA, the world’s most successful mobile financial service. Using an inclusive business approach, this ICT-based transformative financial service, targeted at low-income customers, provided financial inclusion and other socio-economic benefits to its users. M-PESA was developed by Safaricom, the incumbent telecom operator of Kenya, in partnership with Vodafone. The service was launched in March 2007 and has since been met with a tremendous success: its adoption and use by more than 12 million people in Kenya! By sending and receiving e-money, they can now quickly and safely support their family in rural areas at low cost and do so much more. M-PESA has thus made a major impact on people’s lives in Kenya and on the socio-economic development of the country. The case study describes the birth of M-PESA, its development and roll-out as well its use by different segments of society including the poor and the financially excluded citizens. It brings to the fore several important topics and issues, including the following: (1) The analysis of M-PESA as an example of inclusive business (in terms of its characteristics, ICT-based innovation, economic model as a profit center, and the extended multi-stakeholder approach that was used in developing the service); (2) M-PESA business model evolution (in terms of value creation and value capture, roll-out execution, critical mass building, and network externality effect); (3) M-PESA global strategy and business expansion (in terms of both market and product extension); (4) The sustainability of M-PESA’s first-mover advantage (in terms of market leadership position); (5) The ethical issues surrounding M-PESA, its corporate social responsibility and Safaricom’s relationship with the Kenyan Government (for developing public-private partnerships. The M-PESA case study can be used in MBA and Executive MBA programs as well as in management development seminars. Its content fits well with topics that include Business Strategy, International Business, Marketing, Technology Management, Innovation Management, e-commerce and e-business.

Kenya; Telecommunications; About 3,000 employees; 2006-2011

911-012-1 M-PESA (KENYA): MOBILE FINANCIAL SERVICES FOR THE FINANCIALLY EXCLUDED IN SOCIETY

Jelassi, T
Ludwig, S
ENPC School of International Management

This case study investigates the development in Kenya of M-PESA, the world’s most successful mobile financial service. Groupons, a very successful, growing medium sized French manufacturer and distributor of professional kitchens. Kitchen is in the process of migrating its IT to client/server architecture and taking that opportunity to look at alternative IT equipment suppliers. Info Systems is a small and independent organization, based in France, focused on the resale of high-tech IT equipment, and providing related services (training, support & consulting). Kitchen’s IT manager called Info Systems a few days ago to request an urgent quotation for four servers. A meeting has been arranged to discuss a possible deal. The case can be used in Masters, MBA negotiation courses and executive education programs. It serves the following main objectives: (1) understand and manage the preparation of negotiations: the context, interests and objectives for both sides, the alternatives and BATNA (both sides), determining the strategy (distributive or integrative), the questions to ask, the information to provide, identify opportunities for value creation; (2) understand the differences between distributive and integrative negotiation; (3) and understand the negotiation process, management of communication and relationship; (4) provide an opportunity to reflect on the negotiation, its process, results, and the related learning. This is a challenging, quantitative, and, at first view, distributive negotiation. However, if properly analyzed by taking a more global view, it can lead to an integrative negotiation and ‘expansion of the pie’, using packages.

Western Europe; Information systems, appliances; SMEs
Negotiation
Multi-issue negotiation
Distributive negotiation
Integrative negotiation

7pp
Generalised experience
912-012-8 (14pp)

KITCHEN AND INFO SYSTEMS - ROLE INFO SYSTEMS, SELLER: CASE (B)

Aba, O
Groupe Grenoble Ecole de Management

This case covers a two-party negotiation between the representatives of two European companies: Kitchen and Info Systems. This is part of a case series. Kitchen is a very successful, growing medium sized French manufacturer and distributor of professional kitchens. Kitchen is in the process of migrating its IT to client/server architecture and taking that opportunity to look at alternative IT equipment suppliers. Info Systems is a small and independent organization, based in France, focused on the resale of high-tech IT equipment, and providing related services (training, support & consulting). Kitchen’s IT manager called Info Systems a few days ago to request an urgent quotation for four servers. A meeting has been arranged to discuss a possible deal. The case can be used in Masters, MBA negotiation courses and executive education programs. It serves the following main objectives: (1) understand and manage the preparation of negotiations: the context, interests and objectives for both sides, the alternatives and BATNA (both sides), determining the strategy (distributive or integrative), the questions to ask, the information to provide, identify opportunities for value creation; (2) understand the differences between distributive and integrative negotiation; (3) and understand the negotiation process, management of communication and relationship; (4) provide an opportunity to reflect on the negotiation, its process, results, and the related learning. This is a challenging, quantitative, and, at first view, distributive negotiation. However, if properly analyzed by taking a more global view, it can lead to an integrative negotiation and ‘expansion of the pie’, using packages.

Western Europe; Information systems, appliances; SMEs
Negotiation
Multi-issue negotiation
Distributive negotiation
Integrative negotiation

6pp
Generalised experience
912-012-8 (14pp)

912-013-1 KITCHEN AND INFO SYSTEMS - ROLE INFO SYSTEMS, SELLER: CASE (B)
Knowledge, Information and Communication Systems Management

Multi-stakeholder approach  
Corporate social responsibility  
Public-private partnerships  
Global strategy and business expansion  
Kenya  
Africa

28pp  
Published sources  
911-012-8 (12pp)

913-006-1  
NETFLIX: LEVERAGING BIG DATA TO PREDICT ENTERTAINMENT HITS

Purkayastha, D  
Tangirala, VK  
IBS Center for Management Research

This case is about the big data capabilities developed by Netflix, the largest player in USA in video streaming services with a global streaming subscriber base of around 33 million. Netflix had complete details of the viewing patterns of each of its subscribers, including aspects such as when they hit the pause button and whether they switched off before the credits rolled. It had deployed this data to come up with recommendations for each of its subscribers. According to experts, Netflix’s data mining competencies got a boost when the company shifted its information technology infrastructure to the cloud - this gave Netflix the flexibility to scale up - and had opted for the Hadoop architecture. Netflix also employed the huge dataset it had about the viewing patterns of its subscribers to get into original programming. It was so confident about the popularity of the original version of the television show ‘House of Cards’ and of the director and the lead actor of the show’s remake among its subscribers, that it bought the exclusive licensing rights of the show’s remake for US$100 million. The show, as predicted by Netflix’s executives, proved to be a success. Netflix was to come up with more original content shows by relying on its assessments of the viewing patterns of each of its subscribers. The case also discusses some of the concerns that experts had about Netflix’s big data technologies infringing on the privacy of its subscribers. Experts also raised concerns about the outages faced by Amazon Web Services, the vendor of cloud computing services to Netflix which had resulted in the latter’s site being down three times. Industry observers were apprehensive that players such as Netflix would constrain artistic creativity by employing big data to come up with predictable content merely on the basis of the past viewing patterns of their audiences. This case is meant for MBA/MS students as a part of the Information Technology and Systems curriculum. It can also be used in a Marketing Research/ Strategy curriculum. The case is designed to enable students to: (1) Understand the advantages that organizations can derive from employing big data capabilities; (2) Understand the kind of information technology infrastructure that companies need to put in place to create intricate databases of their customers’ consumption patterns; (3) Appreciate the processes/mechanisms that go into developing big data capabilities; (4) Analyze the challenges that organizations have to confront when they deploy big data tools; (5) Discuss and debate the ways in which Netflix can avert privacy issues in assessing its subscribers’ viewing patterns; (6) Discuss and debate whether deploying big data to create original programming actually results in restricting the horizons of creativity.

US, global; Service, DVD rental, online video streaming services; Large; 2009-2013

- Big data
- Predicting
- Big data capabilities
- Data mining
- Business metrics
- Performance
- Viewing patterns
- Data inventory
- Algorithm
- Product-attribute datasets
- Netflix’s basic ranking model
- A/B testing
- Software architecture
- Cloud computing
- Hadoop architecture

19pp  
Published sources  
913-006-8 (7pp)

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  
Offshoring  
Innovation  
Outsourcing relationship  
Negotiations  
Partnership  
Competitive advantage

10pp  
Field research

9A98E036  
OHIO POLYMER INC

Bell, PC  
Ivey Publishing

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.

USA; Chemicals and allied products; Large  
Simulation  
Negotiation  
Manufacturing capacity  
Spreadsheet application

6pp  
Published sources  
8A98E36 (5pp)
9-911-033
ONLINE MARKETING AT BIG SKINNY
Edelman, B
Kominers, SD
Harvard Business Publishing
This case describes a wallet maker’s application of seven Internet marketing technologies: display ads, algorithmic search, sponsored search, social media, interactive content, on-line distributors, and A/B testing. It provides concise introductions to the key features of each technology, and asks which forms of online marketing the company should prioritize in the future. Also discusses similarities and differences between on-line and off-line marketing, as well as issues of marketing campaign evaluation.

United States; 2010
Advertising campaigns
Marketing
Internet
Internet marketing
Web-based technologies
13pp
Field research
S-911-034 (16pp)

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. The 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; (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.
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
20pp
Published sources
910-003-8 (4pp)

912-029-1
PINTEREST: SOCIAL MEDIA SUCCESS
Vasudha, M
Amity Research Centre
Social networking changed the digital landscape and along with it the implications for marketers operating in this space. Pinterest, an on-line bulletin board, which facilitated users to share their favourite images, was launched in 2010. The site had more than seven million unique visitors in December as against 1.6 million in September 2010. The site was also driving more traffic to company websites and blogs than YouTube, Google+ and LinkedIn combined. It witnessed such phenomenal growth to become the third largest social networking tool and an increasing number of websites had started adding Pinterest to their Facebook, Twitter and Google+ buttons. In 2012, Pinterest was valued at more than $1 billion reflecting the company’s meteoric rise in popularity. A number of brands have taken advantage of this to advertise their products at no cost on the site. The case gives a brief history of the growth of social networking and how the emergence of Pinterest has changed the digital marketing scenario. The case also debates about the future of Pinterest in this emerging scenario. Is Pinterest here to stay or will it just turn out to be another flash in the pan in the social networking landscape?
US; IT; 2012
Pinterest
Social media

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.

**AQUALISA QUARTZ: SIMPLY A BETTER SHOWER**
Moons, Y
Herman, K
Harvard Business Publishing

504-007-1
**DIESEL FOR SUCCESSFUL LIVING: BRANDING STRATEGIES FOR AN UP-MARKET LINE EXTENSION IN THE FASHION INDUSTRY**
Chandon, P
Grigorian, V
INSEAD

Renzo Rosso, the president and founder of Diesel SpA, the innovative Italian casual wear company famous for its controversial ‘For Successful Living’ advertising campaign, is pondering how to brand its new upscale line of clothing StyleLab. The objectives set for StyleLab are: (1) to enter the new and attractive high casual wear market; (2) to create an aura of prestige for the core D-Diesel line; (3) to provide Diesel’s designers with the opportunity to experiment with new cuts and fabrics, which may eventually trickle down to the main D-Diesel brand. The case focuses on the selection of the branding strategy for StyleLab: should it be an independent brand with no link to Diesel, a sub-brand of Diesel, or an independent brand endorsed by Diesel? It can also be used to discuss critical issues in the marketing of fashion and luxury brands. In particular, it illustrates how Diesel has managed to grow without losing its core identity. The main objectives of the case are to develop an understanding of the key issues involved in managing a portfolio of brands and to evaluate alternative branding strategies for launching a new brand using a structured approach and tools. The case also illustrates critical issues in the marketing of fashion and luxury brands, most notably brand extensions. This case has been successfully taught in an MBA course on brand management. It can also be used in a session on branding in a marketing management course. The large corpus of Diesel’s controversial print and television advertisements also make the case suitable for an advertising course or the advertising module of a marketing management course. Finally, the case can also be used in a market research course to illustrate the value of experimental methods for studying the effects of branding.

**Western Europe; Fashion; 1,000 employees, 260 million euros turnover; 1999**
- Branding
- Marketing
- Brand management
- Brand extension
- Fashion
- Luxury goods
- Advertising
- Logos

23pp
Field research
504-007-8 (21pp)
504-007-9 (Software)

510-015-1
**FORD FIESTA MOVEMENT: USING SOCIAL MEDIA AND VIRAL MARKETING TO LAUNCH FORD’S GLOBAL CAR IN THE UNITED STATES**
Stephen, A T
INSEAD

The Ford Fiesta movement was a social media campaign run by Ford in the US during 2009 to generate buzz for the upcoming launch of the 2011 Fiesta sub-compact car. This case examines the campaign’s performance and asks what marketers should do thereafter to convert interested consumers into buyers. The case can be used as an introduction to social media and viral marketing as tools for launching new products, specifically: (1) discuss appropriateness of different criteria for evaluating campaign performance; (2) consider what marketers should do after a campaign to leverage the brand awareness generated and convert sales.

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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 analyzed 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, multi-dimensional scaling, regression analysis).

Yue Sai is L’Oreal’s troubled Chinese luxury brand. Alexis Perakis-Valat, the new CEO of L’Oreal China, has made it a point of honor to turn the brand around. He has asked Stephane Wilmet, the brand’s new general manager, to come up with a turnaround plan that will restore L’Oreal’s reputation in China as the world’s best cosmetic marketer. Stephane Wilmet and Ronnie Liang, Yue Sai’s marketing director, must reconsider everything from Yue Sai’s value proposition down to its media, price, product, and distribution strategies. The case shows the challenges that even very successful multinational firms experience when doing business in China. Specific topics discussed include: (1) functional vs. emotional branding: can all brands become ‘passion’ brands? Should they? (2) effects of country of origin, national pride, traditions and cultural beliefs in today’s China; (3) marketing ‘masstige’ (affordable luxury) brands: how to leverage brand heritage while staying current and relevant in a fast-moving market.

This case introduces the concept of inbound marketing, pulling customer prospects toward a business through the use of Web 2.0 tools and applications like blogging, search engine optimization, and social media. Students follow the growth of HubSpot, an entrepreneurial venture which, in its quest for growth, faces significant challenges including: developing market segmentation and targeting strategies to decide which customer to serve and which to turn away, configuring pricing strategies to align with the value delivery stream customers experience, and determining whether inbound marketing programs can generate enough scale or whether traditional outbound marketing methods need to be employed to accelerate growth.

The technology, referred to as Hit Song Science (HSS), analyzed the mathematical characteristics of music and compared them to characteristics of past music hits, making it possible to determine a new song’s hit potential. McCready must decide on a target market - record companies, producers, or unsigned artists - and develop a marketing plan.
that helps overcome the likely resistance against adoption.

United States, Europe, Spain; 20 employees, Gross revenue: $100,000 revenues; 2003
Forecasting
Innovation
Marketing strategy
Product positioning
Target markets
Pricing policies
Artificial intelligence
Marketing plans
Resistance
Value creation

24pp
Field research
5-506-081 (20pp)

505-098-1
RED BULL: THE ANTI-BRAND BRAND
Kumar, N
Tavassoli, N
Linguri Coughlan, S
London Business School

Founded in Austria in 1984, Red Bull was credited with creating the energy drinks category. In 2004, the worldwide energy drinks category was worth 2.5 billion euros and Red Bull commanded a 70% market share. Sold in over 100 markets, Red Bull was the market leader in the USA as well as in 12 of the 13 West European markets where it was present. 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-savvy 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

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

510-077-1
RENOVA TOILET PAPER: AVANT-GARDE MARKETING IN A COMMODITIZED CATEGORY
Bart, Y
Chandon, P
Sweedens, S
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?

Disposable paper; 2005-2010
Marketing
Brand
Private label
Luxury
Consumer goods
Blue Ocean

Innovation
Advertising
22pp
Field research
510-077-8 (15pp)

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; $3.3 billion revenues, 60,000 employees; 2002
Profitability
Market research
Customer retention
Customer service

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

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

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.
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 cannibalizing its own premium brands too heavily.

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

- Multimedia
- Media support
- Branding
- Low-income consumers
- Marketing
- Poverty
- New product introduction
- Break-even analysis
- Advertising
- Pricing
- Poor
- Distribution
- Promotion
- Product
- Powder
- Detergent
- Guimaraes

Unilever

**Brazil**

22pp

Field research

504-009-8 (33pp)

504-009-9 (Software)

**IMD-5-0751**

VALUE SELLING AT SKF SERVICE (A): TOUGH BUYER CONFRONTS STRATEGY

Kashani, K

DuBrule, A

IMD

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. 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

12pp
Field research

**IMD-5-0702**
**Xiameter: The Past and Future of a ‘Disruptive Innovation’**

Kashani, K
Francis, I

The case study is about a successful strategy formulated at Dow Corning for marketing commodity silicones, a chemical used in diverse applications. It deals with important issues in B2B marketing: refocusing on user needs and developing a ‘needs-based’ segmentation of industrial customers; bundling and de-bundling of technical services; branding of commodity chemicals; web-based low price/no-frills value proposition; making money with commodities. The case also describes a ‘tipping point’ in Dow Corning’s history and strategy where their leadership in the silicone business was at stake; management had to chart radically new ways to compete in commoditized markets - what they call their ‘disruptive innovation’. At the end the students are asked to look at the success of Xiameter (the company’s web-based brand) and decide its future. The choices are: maintain status quo; incrementally fine tune the strategy; go for a major overhaul. Xiameter case can be used to: (1) show an example of turning customer insights into successfully re-defining business and marketing strategies; (2) address issues of segmentation, value proposition and branding in industrial marketing; (3) demonstrate how two contrasting value propositions could be offered to industrial customers under different brands; (4) discuss value innovation in B2B markets; (5) examine and analyze elements of a successful web-based business model; (6) learn how adversity can challenge an organisation to re-define its business and marketing strategies for future success.

**International, global: Silicones; US$4 billion; 2001-2006**
- Marketing industrial commodities
- Strategic innovation
- e-commerce
- Industrial segmentation
- Dual branding

21pp
Field research
IMD-5-0702-T (20pp)
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; $2 billion revenues, 7,000 employees; 1990
Distribution planning
Order processing
Suppliers
Logistics
21pp
Field research
5-695-063 (22pp)

600-003-1
DRAGONFLY: DEVELOPING A PROPOSAL FOR AN UNINHABITED AERIAL VEHICLE (UAV)
Loch, C
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); (4) how to focus improvement efforts.

UK: Aerospace; 1999
8pp
Published sources
600-003-8 (22pp)

GS3A
HEWLETT-PACKARD CO: DESKJET PRINTER SUPPLY CHAIN (A)
Kopczak, LR
Lee, HL
Stanford Business School

This case describes a challenge facing Hewlett-Packard’s (HP) Vancouver Division in 1990. Although its new inkjet printers were selling well, inventory levels worldwide were rising as sales rose. In Europe, high product variety was making inventory levels especially high. HP considered several ways to address the inventory issues: air freighting printers to Europe, developing more formalized inventory planning processes, or building a factory in Europe. The teaching purpose is to discuss inventory analysis and/or to discuss the organizational challenges companies face in implementing supply chain solutions.

Global supply chain
12pp
Field research

606-012-1
IDEO: SERVICE DESIGN (A)
Sosa, ME
Bhavnani, R
INSEAD

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; (4) introduce the concept of knowledge brokering and examine the ways in which the transfer of knowledge is carried out across a distributed organisation.

USA, UK; Consulting (transportation, banking, telecommunications, healthcare); 300+ employees; 1999-2005
Innovation management
New product and service development
Brainstorming
Prototyping
Knowledge brokering
22pp
Field research
606-012-8 (14pp)

IMD-6-0315
LEGO: CONSOLIDATING DISTRIBUTION (A)
Cordon, C
Seiffert, RW
Wellian, E
IMD

Two years after joining the LEGO Group as their Logistics Manager for Europe and Asia, Egil Moeller Nielsen finds himself fighting several battles at different fronts; the most difficult one on his home turf against his own management team. He is half-way to implementing a bold plan: close down all existing local and regional logistics operations and consolidate all logistics and distribution activities from a central location in the Czech Republic, managed by an external partner - DHL. Outsourcing logistics services on a scale like this - in Eastern Europe - had never been done before by any other European company. The stakes are high as LEGO, struggling for survival, is also trying to re-invent itself. Should Nielsen push through his plan - in which he firmly believes - or give in to the mounting pressure from home and relax his efforts? Learning objectives: we observe two new partners, both active on new, unexplored territory in the early stages of their partnership. The relationship is strained; both companies are under tremendous pressure from their corporate headquarters to show results while there is a general distrust in each other’s capacity and motivation. In this first case we learn that building a relationship that is based only on a contractual agreement can be a painful experience. Cost accounting in general and cost drivers in specific are mentioned to illustrate their importance in key decision making.
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 management. There are four important concepts that are stressed, 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; (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

**IMD-6-0322**

**OCADO: A SUCCESSFUL ONLINE GROCERY BUSINESS MODEL?**

Tsikriktsis, N  
Keller-Birrer, V  
IMD

In 2009 several companies were competing in the UK for a share of the fast-growing on-line grocery market, using two different business approaches. Ocado, a purely on-line grocer operated out of a dedicated distribution centre. The company was founded by three former investment bankers in early 2000. By 2009 Ocado had grown from its original three founders to over 3,000 employees and was just about to become profitable. It faced competition from Tesco.com, the biggest on-line grocer in the world. Tesco, the UK’s leading supermarket chain, had started an internet add-on to its regular business and used existing supermarkets to run its on-line operations. Learning objectives: this case compares Ocado and Tesco.com business models from a consumer proposition, operational efficiency, profitability and sustainability point of view. Participants will be challenged to think about the challenges on-line grocery faces to meet shoppers’ expectations, how operational choices impact the consumer proposition and what opportunities both companies have to further grow their business.

**UK; On-line grocery retailing; 3,000 employees; 2009**
- On-line grocery store
- On-line grocery retailing
- e-commerce
- e-business
- Supply chain

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

**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

Generalised experience
production and operations management

9-602-096
STORE24 (A): MANAGING EMPLOYEE RETENTION
Frei, FX
Campbell, D
Harvard Business Publishing
Used as part of the third module of a course on Managing Service Operations, which addresses how managers can inform their decisions with customer data. Provides a retailing context in which employee retention strategies are explored through analyzing detailed store-level data.
United States; $84767816 revenues, 800 employees; 2000-2001
Employee retention
Service management
5 pp
Field research
5-606-036 (1 1pp)
5-606-107 (35pp)

605-010-1
SCM AND ERP SOFTWARE IMPLEMENTATION AT NIKE: FROM FAILURE TO SUCCESS
Chaturvedi, RN
Gupta, V
IBS Center for Management Research
The case gives a detailed account of the failure of supply and demand planning software implementation at Nike, a leading footwear and apparel company. The case traces the history of supply chain and enterprise resource planning (ERP) software implementation at Nike and presents the rationale behind their implementation. It details the circumstances that led to the supply chain management (SCM) software implementation failure and also examines the steps taken by Nike to fix the problem. Finally, the case explores how Nike was able to use the learning from the failure to its advantage and emerge successful with the systems application projects (SAP) implementation, a part of the Nike Supply Chain project. The case is designed to help students to: (1) study and analyse the problems faced in SCM and ERP software implementation; (2) examine the reasons for SCM software implementation failures; (3) analyse the suitability and implications of Nike’s Single Instance Strategy for global ERP projects; (4) understand how companies can learn from their mistakes in SCM and ERP software implementation. The case is intended for MBA/PGDM level students as part of the supply chain management/enterprise resource planning curriculum.
USA; Footwear and apparel; Very large; 1996-2005
Nike
Supply chain management (SCM)
SCM software implementation failure
Enterprise resource planning (ERP)
Single instance strategy
Enterprise application implementation
Nike’s Supply Chain project
i2 TradeMatrix Plan Solution
Demand planning
Business contingency planning
20pp
Published sources
605-010-8 (7pp)

9-693-019
TOYOTA MOTOR MANUFACTURING, USA, INC
Mishina, K
Harvard Business Publishing
On May 1, 1992, Doug Friesen, manager of assembly for Toyota’s Georgetown, Kentucky, plant, faces a problem with the seats installed in the plant’s sole product-Camrys. A growing number of cars are sitting off-line with defective seats or are missing them entirely. This situation is one of several causes of recent overtime, yet neither the reason for the problem nor a solution 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; $1-5 billion revenues, 4,000 employees; 1992
Production controls
Quality control
International operations
Suppliers
Process analysis
22pp
Field research
5-693-046 (23pp)

G565
ZAPPOS.COM: DEVELOPING A SUPPLY CHAIN TO DELIVER WOW!
Marks, ME
Lee, HL
Hoyt, DW
Stanford Business School
Zappos was founded in 1999, during the Internet boom, to sell shoes on-line. The company’s founding premise was to provide the ultimate in selection to its customers - all brands, styles, sizes, and colors. Zappos organized all aspects of its business (including recruiting, culture, call center, inventory, website, and supply chain) to provide the best possible service - it wanted to ‘wow’ everyone who interacted with the company, from customers to employees to corporate partners. Zappos grew rapidly, and by 2008 was profitable with net sales (after returns) of about $650 million. The company faced a number of issues as it looked forward. While it had penetrated only about 3 percent of the US market for shoes, Zappos had expanded its product lines to items such as camping gear and video games. It needed to determine those elements of its strategy had contributed to its success in shoes, and whether it would be able to duplicate that success in other product lines. It also needed to determine how it could scale its business - much of the effort it had made to ‘wow’ its customers was labor intensive and expensive - could this be scaled to a company with revenues of tens of billions? Finally, the economic landscape changed dramatically in late 2008, with the financial market collapse and recession. The service-intensive Zappos.com business was based on sales at little to no discount, unlike many websites that relied on selling at the lowest possible price. Would the company need to make changes to respond to the changed economic environment, and if so, what were those changes? The case provides an opportunity to evaluate the core competences of an Internet retailer that has experienced rapid, initial success. The case enables students to consider supply chain issues, which are critical to the company’s success, in the broader context of the business: the bases of Zappos’ success, its core competencies, culture, and competitive environment.
USA; Retail; 2009
Supply chain
Consumer goods
Retailing
Zara's success with a centralized distribution model?
Spain and 72 other countries around the world; Retail, apparel; 8 billion euros in sales (2010); Early 2011
Fast-fashion
Vertical integration
Quick response
Apparel
Retail operations
Corporate social responsibility
On-line channel
Operations research
International expansion

Zara, the flagship brand of the Spanish retail conglomerate Inditex, was one of the leading retailers of fast-fashion, churning out frequent in-season assortment changes of knockoffs of popular runway styles and trendy fashions. The company had received a lot of attention for its centralized distribution model. In the past 10 years, Inditex and more specifically Zara had been studied by MBA students, the world over, to understand its success in distribution and supply chain efficiency. Numerous cases had been written to better understand Zara’s operations, marketing, information systems, and overall strategy, but most authors alike had questioned Zara’s long-term sustainability. Nevertheless, Zara’s net sales reached 8,088 million Euros in 2010, representing an increase of 14% over the previous year and right in line with the average growth it had shown over the last decade. The ‘Zara way’ proved itself resilient even through an adverse economic scenario and the company sustained ten years of organic growth, but can it do it again? Where should Zara focus its efforts and what should drive its expansion from here? Should Zara localize its operations in China given that it will quickly become its second largest market? Would opening a major warehouse outside Spain jeopardize...
Strategy and General Management

**9-710-467**
**APPLE INC IN 2010**

Yoffie, DB
Kim, R
*Harvard Business Publishing*

On 4 April 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; $543 billion, 36,800 employees; 1976-2010**

- Market positioning
- Strategic planning
- Competition
- Technology

25 pp
Published sources
5-710-484 (11 pp)

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**9-709-424**
**EHARMONY**

Piskorski, MJ
Halaburda, H
Smith, T
*Harvard Business Publishing*

EHarmony’s CEO needs to decide how to react to imitations of its business model, encroachment by competing models and ascendance of free substitutes. The case provides four options to address these threats and asks students to choose one after analyzing the company’s strategy. The analysis begins with understanding of value proposition, as derived from failures of substitutes. It proceeds to examine industry structure and important differences across its different niches. Students can then analyze the essence of a focused differentiation strategy and understand the importance of costly strategic trade-offs. They can also estimate the size of eHarmony’s competitive advantage over two other competitors before articulating threats to sustainability, all of which will help them choose one of the four options.

230 employees, $200MM; 2007
- Portfolio management
- Business to consumer
- Competitive advantage
- Industry structure
- Network effects
- Growth strategy

26 pp
Field research
5-709-446 (30 pp)

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**9-709-417**
**BETFAIR VS UK BOOKMAKERS**

Casadesus-Masanell, R
Campbell, N
*Harvard Business Publishing*

Betting exchanges provide an electronic platform that allows ordinary consumers to not only back teams to win, but also to lay odds for other punters to back. This business model allows punters to cut out the middle-man of the bookmaker, and leads to a much more efficient 2-sided market. Betfair.com’s domination of the betting exchange has threatened to undermine the core of the traditional bookmakers’ business model. The case examines two aspects of the industry: (1) what specific choices did Betfair make to become the dominant betting exchange, winning the competitive battle over Flutter.com? (2) at what stages do Betfair.com’s business model and those of the bookmakers interact? Will Betfair.com naturally come to dominate the industry, and if so how should the bookmakers react?

180 million pounds, 831 employees; 2008
- Business models
- Platforms
- Strategic thinking
- Network effects

23 pp
Field research
5-709-418 (15 pp)

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

Rivkin, JW
*Harvard Business Publishing*

In April 1986, the Ryan brothers announce that their fledging Irish airline Ryanair, will soon commence service between Dublin and London. For the first time, Ryanair will face formidable competitors such as Aer Lingus and British Airways on a major route. Students are asked to assess Ryanair’s entry and anticipate the response of incumbent carriers.

- Ireland; 10 employees; 1986
- Cost analysis
- Industry analysis
- Market entry
- Competition

8 pp
Field research
5-701-090 (24 pp)

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**9-701-132**
**DUCATI**

Gavetti, G
*Harvard Business Publishing*

Focuses on the turnaround and strategic repositioning of Ducati, an Italian maker of high-end sport motorcycles, and describes the current concerns with the growth prospects of the company. Federico Minoli, the CEO and strategic mind behind the turnaround, knew that Ducati could not grow indefinitely in its current niche. One alternative was to attack Harley Davidson’s niche with a Ducati interpretation of a cruiser.

- Italy
- Strategy formulation
- Competition

25 pp
Field research
5-705-489 (12 pp)

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**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*

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; (3) the six paths analysis for creating new market space.

United States, Japan; 1948-1974

Redefining industry boundaries

Christiansen, ET
Pascale, RT

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. Honda (A) and (B) are designed to be used together to contrast two differing views of major events in a company’s history, both of which are important for a general manager to understand.

United States, Japan; 1948-1974

Business policy

Rahim, Fawad

IMD-3-2216

PEOPLE’S GROCERY: THE FIRST STEP

Wade, M

IMD

Soon after joining People’s Grocery, Canada’s largest grocery and health products retailer, as vice president of Enterprise Technology Services, Peter Trawling had been faced with an important decision. His boss, corporate CIO Fawad Rahim, had told him in no uncertain terms to reduce costs, and further suggested that the contract for in-store technologies would be a good place to begin. However, while researching the company’s IT management practices, Trawling uncovered some major issues that were likely to stand in the way of any comprehensive change. He only had a passing familiarity with the myriad of outsourcing contracts and relationships the firm had put in place over the years. His main focus thus far had been on strengthening the management team within the Enterprise Technical Services area, something that was sorely needed. Now, he needed to rethink his priorities. Rahim had been very clear - they were under the gun and needed to show results, fast.

Canada; Grocery and health products retailer; Large

IT management

Outsourcing management

Outsourcing strategy

Service level agreements

Performance tracking

Internal capabilities

Governance issues

6pp

Field research

9-384-050

HONDA (B)

Christiansen, ET
Pascale, RT

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. Honda (A) and (B) are designed to be used together to contrast two differing views of major events in a company’s history, both of which are important for a general manager to understand.

United States, Japan; 1948-1974

Business policy

Rahim, Fawad

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PEOPLE’S GROCERY (A): THE FIRST STEP

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Canada; Grocery and health products retailer; Large

IT management

Outsourcing management

Outsourcing strategy

Service level agreements

Performance tracking

Internal capabilities

Governance issues

6pp

Field research

9-384-049

HONDA (A)

Christiansen, ET
Pascale, RT

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).

United States, Japan; 1948-1974

Business policy

Rahim, Fawad

IMD-3-2216

PEOPLE’S GROCERY (A): THE FIRST STEP

Wade, M

IMD

Soon after joining People’s Grocery, Canada’s largest grocery and health products retailer, as vice president of Enterprise Technology Services, Peter Trawling had been faced with an important decision. His boss, corporate CIO Fawad Rahim, had told him in no uncertain terms to reduce costs, and further suggested that the contract for in-store technologies would be a good place to begin. However, while researching the company’s IT management practices, Trawling uncovered some major issues that were likely to stand in the way of any comprehensive change. He only had a passing familiarity with the myriad of outsourcing contracts and relationships the firm had put in place over the years. His main focus thus far had been on strengthening the management team within the Enterprise Technical Services area, something that was sorely needed. Now, he needed to rethink his priorities. Rahim had been very clear - they were under the gun and needed to show results, fast.

Canada; Grocery and health products retailer; Large

IT management

Outsourcing management

Outsourcing strategy

Service level agreements

Performance tracking

Internal capabilities

Governance issues

6pp

Field research

309-059-1

MCDONALD’S AND KFC: RECIPES FOR SUCCESS IN CHINA

Szulanski, G
Chen, W
Lee, J

INSEAD

McDonald’s is the undisputed global leader of quick service restaurants. In China, however, it has less than half the number of outlets and significantly lower profit margins than KFC. Why is KFC seemingly winning in China? How can McDonald’s leverage its global acumen to catch up with KFC? This case studies cross border transfer of business models between two very different institutional contexts. It discusses how multinational firms replicate their proven successful business model and underlying practices from USA to China, a country that is deemed very different in operating environment and consumer behaviour. If local adaptation seems inevitable, then what has to be changed and when?

China; Quick service restaurants and franchise; McDonald’s market cap, US$60 billion (2008); 1987-2008

Adaptation

Replication

Transfer of best practice

5-386-034 (7pp)
5-704-022 (27pp)
311-020-1
RYANAIR - THE LOW FARES AIRLINE: WHITHER NOW?
O'Higgins, E
University College Dublin (UCD) College of Business & Law
Ryanair was the first budget airline in Europe, modelled after the successful US carrier, Southwest Airlines. It was Europe’s largest airline by passenger numbers and market capitalisation in 2010. It had enjoyed remarkable growth and success but faced various issues in 2010/11, notably the global economic recession and uncertainty about oil prices. What strategy should Ryanair use to weather this storm? Would the crisis produce a long-term change in industry structure? Could Ryanair take advantage of the situation as it had in the past, by growing when others were cutting back? A predicament of its own making was Ryanair’s 29.8 percent shareholding in Aer Lingus, the Irish national carrier, following an abortive takeover attempt. The case concentrates on how to analyse industry environments, and internal resources / capabilities of companies. It illuminates how a strategy that is grounded in the best deployment of assets / resources / competencies, whilst adding perceived value to customers, delivers sustainable strategic advantage. But the case also illustrates the difficulties and obstacles that stand in the way of achieving and retaining such advantage. Evaluation of the Aer Lingus bid involves issues of corporate level strategy, as well as of strategic change, and there is also the scope to appraise issues of strategic leadership by analysing the role of CEO Michael O’Leary in Ryanair.

Europe; Airline; Turnover approx 3 billion euros; Primarily 2009, 2010, 2011
Airline industry
Budget airlines
Sustainable competitive advantage
Lowest cost strategy
SWOT analysis
Strategic development
Corporate strategy
Leadership
36pp
Published sources
311-020-8 (27pp)

302-057-1
THE EVOLUTION OF THE CIRCUS INDUSTRY (A)
Kim, WC
Mauborgne, R
Bensoua, BM
Williamson, M
INSEAD
The first Case (A) discusses the evolution of the circus industry up until the emergence of Cirque du Soleil. This case provides a detailed discussion on the structure of the circus industry to make possible a rich analysis of how its industry attractiveness has changed over time and the challenges the industry now confronts. The case reveals that the industry had become a red ocean with limited profit and growth potential. To achieve this, students are asked to address the following questions: (1) how would they assess the attractiveness of the circus industry in the early 1980s? What would you conclude from your industry analysis? (2) what were the factors the traditional circuses competed on? What made these factors more or less relevant over time?
Canada, USA, Europe; Circus; 2001
Circus and live entertainment industry
Value innovation
Strategy
Blue Ocean Strategy
Creating new market space
Redefining industry boundaries
Competition
6pp
Field research
302-057-8 (23pp)

9-701-035
THE WALT DISNEY COMPANY: THE ENTERTAINMENT KING
Rukstad, MG
Collis, DJ
Levine, T
Harvard Business Publishing
The first ten pages of this case comprise the company’s history, from 1923 to 2001. The Walt years are described, as is the company’s decline after his death and its resurgence under Eisner. The last five pages are devoted to Eisner’s strategic challenges in 2001: (1) managing synergy; (2) managing the brand; and (3) managing creativity. Students are asked to think about the keys to Disney’s mid-1980s turnaround, about the proper boundaries of the firm, and about what Disney’s strategy should be beyond 2001.
United States; Entertainment industry;
$25.4 billion revenues, 110,000 employees; 1923-2000
Diversification
Corporate strategy
Strategy formulation
Competitive advantage
Implementing strategy
27pp
Published sources
5-705-495 (12pp)

9-794-024
WAL-MART STORES, INC
Bradley, SP
Ghemawat, P
Foley, S
Harvard Business Publishing
Focuses on the evolution of Wal-Mart’s remarkably successful discount operations and describes the company’s more recent attempts to diversify into other businesses. The company has entered the warehouse club industry with its Sam’s Clubs and the grocery business with its Supercenters, a combination supermarket and discount store. Wal-Mart experienced a drop in the value of its stock price in early 1993, which it still has not made up. Wal-Mart has advantages over its competitors in areas such as distribution, information technology, and merchandising, to name a few.
United States; 568 billion revenues, 440,000 employees; 1994
Industry structure
Strategy formulation
Competition
Implementing strategy
22pp
Published sources
5-395-225 (7pp)
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  Harvard Business Publishing

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  INSEAD

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  Christopher A Bartlett
  Harvard Business Publishing

**Marketing**
- Starbucks: Delivering Customer Service
  Youngme Moon and John Quelch
  Harvard Business Publishing

**Production and Operations Management**
- Zara
  Kasra Ferdows, José Antonio Dominguez Machuca, and Michael Lewis
  Georgetown University, Universidad de Sevilla, and University of Warwick

**Strategy and General Management**
- The Evolution of the Circus Industry (A)
  W. Chan Kim, Renée Mauborgne, Ben M. Bensaou, and Matt Williamson
  INSEAD
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