

**Case Title:** Amazon.com, Inc.

**Unique ID:** MHE-FTR-053-1259927628

**Revised:** May 25, 2017

### **Abstract**

Over 20 years as a public company, founder and CEO Jeff Bezos has taken Amazon.com from an online bookstore to the largest online retailer and comparison-shopping site in the world. Bezos has followed the trend of integrating hardware and software, products and services, and online and brick-and-mortar stores. Amazon diversified into cloud computing (with Amazon Web Services, or AWS) and content delivery and original content creation. Still, Amazon continues to display low profitability, reflecting Jeff Bezos investment in Amazon and increased competition from Apple, Alphabet, Microsoft, Alibaba, and Walmart. Investors are expecting profits will come, but this is uncertain and something Jeff Bezos must manage.

**Concepts:** Stakeholders, Strategic Planning, External Analysis, Competition, Internal Analysis, Competitive Advantage, Core Competence, Business Strategy, Business Models, Platform Strategy, Innovation, Technology, Corporate Strategy, Diversification, Vertical Integration, Strategic Leadership, Digital Transformation

### **Context:**

- Ticker Symbol: AMZN
- Protagonist: Jeff Bezos, CEO and Founder
- Country: USA (worldwide reach online)
- Sector: e-retail, cloud computing, content, computer hardware and software
- Company Employee Count: 341,400 (2017)
- Company Revenue: \$135.9B (2016)
- Market Cap: \$480B (May 2017)
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Apple Inc.

**Unique ID:** MHE-FTR-051-1259927628

**Revised:** May 22, 2017

**Abstract:** CEO Tim Cook confronts multiple issues that each relate to identifying a source of longer-term growth at Apple, as it becomes increasingly dependent on iPhone revenues. Since Steve Jobs' death, Cook has successfully led Apple and made it the first company to be worth more than \$800 billion. However, under Cook's leadership, Apple has largely released derivatives of existing products (e.g., iPhone 6 and 6 Plus, etc.). This has increased Apple's reliance on the iPhone (~70 percent of revenues), and Apple appears to be following a path to sell complementary products to the iPhone (Beats, Apple Pay, Apple Watch, Air Pods) at the same time that it is pursuing product development (Apple TV, Apple Car, Siri Speaker). The Apple Watch was the first new product category introduced under Tim Cook, and it has not been successful. As industry convergence continues, the case also looks at Apple's main competitors: Alphabet (Google), Amazon, Microsoft, and Samsung, as well as emerging Chinese competitors. Apple's sales in China are also declining.

**Concepts:**

Key Concepts: Vision, mission, and values; strategic leadership; internal analysis; external analysis; SWOT analysis; industry convergence; competition; innovation and innovation ecosystems; technology strategy; corporate strategy, in particular, mergers & acquisitions and international strategy.

**Context:**

- Protagonist: Tim Cook, CEO
- Country: USA
- Sector: Mobile devices, Internet services, Computer hardware & software
- Company Employee Count: 116,000 (2017)
- Company Revenue: \$215.6 billion (2016)
- Ticker Symbol: AAPL
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Best Buy Co., Inc.

**Unique ID:** MHE-FTR-052-1259927628

**Year:** 2017

**Abstract:** CEO Hubert Joly has successfully tackled BBY's two main problems – declining comps and margins – and engineered a financial turnaround within his first five years on the job. Now Joly must develop and implement a strategic plan to create a sustainable competitive advantage for Best Buy in the highly competitive, electronic retail industry. With less than 20 percent of revenues coming from online sales, Best Buy is still predominantly a bricks-and-mortar store with an online presence and has not yet transformed into a “bona fide, multi-channel retailer.” The case provides an overview of Best Buy's main competitors: Circuit City (now defunct), Walmart, Target, Apple, and Amazon.com. It further highlights the threat emanating from the continuous shift to online retailing.

**Concepts:** Stakeholders, Strategic Planning, External Analysis, Competition, Internal Analysis, Competitive Advantage, Business Strategy, Technology, Corporate Strategy, Strategic Alliances, International Strategy, Strategic Leadership

**Context:**

- Protagonist: Hubert Joly, CEO
- Country: USA
- Sector: Retail trade, Household appliance stores, Electronics stores
- Company Employee Count: 125,000
- Company Revenue: \$40 billion
- Ticker Symbol: BBY
- Event Year Begin: 2012
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** Better World Books and the Triple Bottom Line

**Unique ID:** MHE-FTR-030-1259927628

**Revised:** February 26, 2015

**Abstract:** Better World Books (BWB) was founded as a for-profit “B corporation” committed to a triple bottom line of financial, social, and environmental performance. Early success with an innovative business model leveraging social entrepreneurship allowed BWB to grow revenues to over \$80 million in 2014. BWB now faces challenges expanding further while sustaining their social-entrepreneurship business model. BWB currently faces such issues as narrow margins, shrinking supply, low brand awareness, and even copycat competitors. Chief Executive Officer Mike Miller must decide how to handle these issues in a way that keeps BWB competitive in the crowded used-book industry and also creates value for all of BWB’s stakeholders.

**Concepts:** Stakeholders, Mission/Vision, Strategic Planning, Competition, Internal Analysis, Competitive Advantage, Branding, Social Responsibility, Business Strategy, Operations, Innovation, Technology, Organizational Culture, Organizational Structure, Strategic Leadership, Sustainability, Ethics

**Context:**

- Protagonist: Mike Miller, CEO
- Country: USA
- Sector: Retail (books)
- Company Employee Count: 365
- Company Revenue: \$83 million
- Ticker Symbol: N/A (private)
- Case Year End: 2015

**Teaching Note:** Available

**Case Title:** Delta Air Lines, Inc.

**Unique ID:** MHE-FTR-056-1259927628

**Revised:** May 13, 2017

**Abstract:** The case begins with Ed Bastian, Delta’s CEO, reflecting on his one-year anniversary. Ed took over at Delta following its successful recovery from the 2008 “great recession” and then experienced multiple challenges, including: pilots demanding and receiving increased pay and multiple instances where thousands of flights were cancelled due to information technology issues. Delta Air Lines also faces a shift toward a more diverse population in the United States, and increased competition from rapidly expanding airlines from the Middle East such as Etihad Airways, Emirates, and Qatar Airways. More recently, European ultra-low cost carriers such as Norwegian Air Shuttle or Iceland’s WOW have entered selected transatlantic routes, connecting the U.S. East Coast to Europe. Historically, Delta had focused more on activities associated with aircraft operations and maintenance, and customer service. However, Delta Air Lines’ recent problems suggest a need to focus on Delta’s technology infrastructure and human resource management. In considering everything going on internally at Delta and in its industry, CEO Bastian wonders—what other challenges have been overlooked?

**Concepts:** External Analysis, Competition, Internal Analysis, Business Strategy, Strategic Positioning, Innovation, Technology, Corporate Strategy, Strategic Alliances, Mergers & Acquisitions, Organizational Culture, Organizational Change, Organizational Structure, Strategic Leadership.

**Context:**

- Ticker Symbol: DAL
- Protagonist: Ed Bastian, CEO
- Country: USA
- Industry: Airlines
- Sector: Air travel
- Company Employee Count: 85, 214 (2017)
- Company Revenue: \$39.6B (2016)
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Facebook, Inc.

**Unique ID:** MHE-FTR-045-1259927628

**Revised:** October 2, 2017

### **Abstract**

The protagonist of the case is Sheryl Sandberg, Facebook's COO. The case opens with her reviewing the company's Q3 2017 earning data in preparation for the ensuing investors' call. Notably, the company continued a strong run in the mobile ad space and significant revenues that Facebook had generated. As COO, she is looking to take the company to the next level: not only continued growth in mobile ads, but dominance in the digital ad space. For this to occur, Facebook would somehow have to top Google in both display and search ads, despite only having notable presence and expertise in display ads. In 2017, Facebook was the fourth most valuable company on the planet, with a market capitalization of almost \$500 billion (just behind Apple, Alphabet, and Microsoft, but ahead of Amazon).

**Concepts:** Strategic Leadership; Business Model; External and Internal Analyses; Competitive Strategy; Platform Strategy; Innovation and Technology Strategy; Organizational Structure

### **Context:**

- Ticker Symbol: FB
- Protagonists: Sheryl Sandberg, COO Facebook
- Country: USA (worldwide reach online)
- Sector: Social networking and online advertising
- Company Employee Count: 20,658
- Company Revenue: \$33.2 billion (2017)
- Market Cap: ~ \$500 billion (Sept. 2017)
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** General Electric after GE Capital

**Unique ID:** MHE-FTR-36-1259927628

**Revised:** May 19, 2015

**Abstract:** The case outlines GE's origin leading to it becoming the world's largest corporation under Jack Welch. Welch's chosen successor Jeff Immelt has confronted multiple negative external events, including the 9/11 terrorist attacks and the 2008 financial crisis. GE's stock price has continued to lag the overall market recovery. As a result, Immelt is restructuring GE to focus more on industrial engineering. The case surrounds Immelt's decision to divest GE Capital and the associated positive market reaction. This enables evaluation of the impact of the external environment on firms, Immelt's leadership, as well as GE's corporate strategy. Corporate strategy can be examined from material in the case statically, or by how it has evolved under Welch and Immelt to include where Immelt should invest the cash generated from the sale of GE capital.

**Concepts:** External Analysis, PESTEL Analysis, Internal Analysis, Innovation, Strategic Leadership, Corporate Strategy, Internal Development, Acquisitions, Internationalization, Government Regulation.

**Context:**

- Protagonist: Jeffrey R. Immelt, Chairman and CEO
- Country: USA, but established international presence
- Sector: Diversified Manufacturing and Financial Services company
- Company Employee Count: 305,000
- Company Revenue: \$148.5 billion (2014)
- Ticker Symbol: GE
- Event Year begin: 2015
- Event year end: 2015

**Teaching Note:** Available

**Case Title:** Alphabet's Google

**Unique ID:** MHE-FTR-055-1259927628

**Revised:** September 27, 2017

### **Abstract**

The case is written from the perspectives of Larry Page, CEO of Alphabet and Sundar Pichai, CEO of Google. The case focuses on opportunities and challenges faced by Alphabet's largest business unit, Google. Competition in Google's advertising space has intensified, mostly by the way of Facebook. This poses a threat because Google still secures more than 90 percent of Alphabet's profits and revenues. The case also highlights challenges of managing a multi-business conglomerate pursuing an unrelated diversification strategy. As Alphabet continues to implement an M-form structure to administer unrelated diversified, the adjacent business units will have a significant impact on Google. Most notably, the Waymo subsidiary has the potential to enter a multibillion-dollar market. The uncertainty of this venture along with Google's core competencies present new opportunities and challenges to the firm. There is also the question if Alphabet can manage this new structure while securing future growth and profitability.

**Concepts:** Business Model, Competitive Strategy, Platform Strategy, Innovation and Technology Strategy, Corporate Strategy, Unrelated Diversification, Profit Pools, and Organizational Structure

### **Context:**

- Ticker Symbol: GOOGL
- Protagonists: Larry Page, CEO Alphabet; and Sundar Pichai, CEO Google
- Country: USA (worldwide reach online)
- Sector: Diversified conglomerate, including online search and advertising
- Company Employee Count: 76,000
- Company Revenue: \$100 billion (2017)
- Market Cap: \$650 billion (Sept. 2017)
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Grok: Action Intelligence for Fast Data

**Unique ID:** MHE-FTR-025-1259927628

**Revised:** January 3, 2014

**Abstract:** Jeff Hawkins, founder of Palm Computing, wants software that “thinks” like the human brain. His latest company, Grok, has developed “Hierarchical Temporal Memory” (HTM), a cutting-edge pattern-recognition software that functions as the human brain does. Hawkins struggles with how to license Grok’s software while protecting Grok’s intellectual property. He must also balance moving his research forward with creating a profit and sustaining his company. Hawkins, who doesn’t want to lose control of this company like he lost control of Palm Computing, must decide what strategic alliances to make or not make to ensure that his dream of making computers “more human” becomes reality.

**Concepts:** Mission/Vision, Strategic Planning, Competition, Internal Analysis, Innovation, Technology, Strategic Alliances, Organizational Structure, Strategic Leadership

**Context:**

- Protagonist: Jeff Hawkins, Founder
- Country: USA
- Sector: Computer Software
- Company Employee Count: <50
- Company Revenue: N/A
- Ticker Symbol: N/A (private)
- Event Year Begin: 2013
- Event Year End: 2013

**Teaching Note:** Available

**Case Title:** IBM at the Crossroads

**Unique ID:** MHE-FTR-034-1259927628

**Revised:** April 8, 2015

**Abstract:** IBM traces its history to its founding as Tabulating Machine Company in 1896. IBM has experienced and survived multiple major technology changes, including the introduction of the personal computer, cloud computing, and growth in mobile technology. At times, IBM has been slow to respond, and following the disruption of its mainframe computer business by personal computers, the company experienced the largest single-year loss (\$8.1 billion) in U.S. history. Following this loss, IBM reorganized and moved into complementary areas of software, service, and hardware. Under current CEO Virginia Rometty, IBM is yet again at the crossroads as it experiences increased competition with moves into new strategic venues. At the same time, IBM revenues are declining in existing areas. CEO Rometty is facing a falling stock price and 12 consecutive quarters with falling revenues. Questions arise whether continuing IBM's strategy will provide sufficient growth.

**Concepts:** Competition, Competitive Advantage, Internal Analysis, VRIO Analysis, External Analysis, Industry Analysis, Innovation, Technology, Strategic Leadership, Alliances, Business Strategy, Corporate Strategy, Offensive/Defensive Strategy, Internationalization, Government Regulation

**Context:**

- Protagonist: Virginia Rometty, CEO
- Country: USA, but established international presence
- Sector: Information Technology (service, software, and hardware)
- Company Employee Count: 430,000+
- Company Revenue: \$92.793 billion (2014)
- Ticker Symbol: IBM
- Event Year begin: 2014
- Event year end: 2015

**Teaching Note:** Available

**Case Title:** Kickstarter: Using Crowdfunding to Launch a New Board Game

**Unique ID:** MHE-FTR-041-1259927628

**Revised:** February 9, 2016

**Abstract:** The case discusses the recognition of an entrepreneurial opportunity, the attractiveness of the identified market, and the subsequent resource acquisition process. Tim, who created a board game to teach children the basics of programming, must consider the optimal way to acquire resources for the new venture. To optimize the game's exposure with his target market of parents with young children, Tim considers whether to license the product or launch a crowdfunding campaign. Since running a crowdfunding campaign entails a significant amount of time and opportunity costs, Tim also considers the relevant decisions for launching a campaign in depth. While on the surface crowdfunding appears to be a means to acquire merely financial resources, it also constitutes a valuable way to build a community around a venture. Catalyzing such a community may also serve as an indispensable resource for Tim's future endeavors.

**Concepts:** Entrepreneurship, Resource Acquisition, Opportunity Recognition; Lean Entrepreneurship, Venture Finance, Crowdfunding; User Entrepreneurship; Market Entry; Resource-Based View

**Context:**

- Protagonist: Tim, Founder
- Country: USA
- Sector: Entertainment (Games)
- Company Employee Count: 1
- Company Revenue: N/A
- Ticker Symbol: N/A (Private Company)
- Event Year begin: 2013
- Event year end: 2015

**Teaching Note:** Available

**Case Title:** Make or Break at RIM: Launching BlackBerry 10

**Unique ID:** MHE-FTR-020-1259927628

**Revised:** January 3, 2014

**Abstract:** From 2009 to 2012, BlackBerry's market share in the smartphone market declined from twenty percent to five percent. The rise of the iPhone and the Android operating system left BlackBerry struggling to compete. CEO Thorsten Heim must decide what the next moves for BlackBerry are. BlackBerry 10, a new phone and operating system, is about to be released after numerous delays, and investors are calling for a sale or breakup of the firm. Heim considers his options: sticking with the current strategy and seeing how BlackBerry 10 sales, forming new alliances, licensing BlackBerry's software to other manufacturers, or an outright sell of the company are all on the table.

**Concepts:** Mission/Vision, Strategic Planning, External Analysis, Competition, Business Strategy, Technology, Corporate Strategy

**Context:**

- Ticker Symbol: BBRY
- Protagonist: Thorsten Heins
- Country: Canada
- Sector: Telecommunications
- Company Employee Count: 7260
- Company Revenue: \$11.073 billion
- Event Year Begin: 2013
- Event Year End: 2013

**Teaching Note:** Available

**Case Title:** McDonald's Corporation

**Unique ID:** MHE-FTR-050-1259927628

**Revised:** September 28, 2017

### **Abstract**

The case is written from the perspective of McDonald's CEO Steve Easterbrook. Easterbrook assumed office in March 2015, and the case highlights the company's recent and dramatic decline in performance amidst increasing competition. In addition, the case details Easterbrook's strategic initiatives in an attempted turnaround of McDonald's fortunes.

With some \$25 billion in sales (in 2017) and some 45,000 restaurants globally (thereof 27,000 in the U.S.), McDonald's remains the largest quick-service restaurant (QSR) chain. At the same time, McDonald's has been struggling on several fronts in recent years. Attempting to be "everything for everybody," McDonald's fell victim to being "stuck-in-middle," without a clear strategic position. With such a large global installed base of restaurants and franchisees, any changes coming from the McDonald's headquarters require significant leadership, investment, and potential risk.

**Concepts:** Vision, Mission, and Values; Core Competency; Business Model; Business Unit and Corporate Strategy; Industry and Competitor Analysis

### **Context:**

- Ticker Symbol: MCD
- Protagonist: Steve Easterbrook, CEO
- Country: USA (and international)
- Sector: Fast-food and quick-service restaurants
- Company Employee Count: 375,000 (worldwide)
- Company Revenue: \$25 billion (2017)
- Market Cap: \$127 billion (2017)
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Merck & Co., Inc.

**Unique ID:** MHE-FTR-029-1259927628

**Revised:** January 2, 2015

**Abstract:**

The protagonists of the case are CEO Kenneth Frazier and Roger Perlmutter, president of research, as they contemplate Merck's future in light of a difficult external environment and multiple internal challenges. Overall, the pharmaceutical industry faces the threat of patent expirations, diminishing new drug breakthroughs, adverse regulatory laws, increasing competition, and a harsh economic climate. With its new drug pipeline running dry, Merck accepted that the biotech industry is too complicated for it to navigate alone. As it stood, it was producing only 1 percent of the biomedical research in the world. Thousands of new ideas were emerging around the world, both inside and outside of the company. While Merck had been moving toward an open innovation strategy, its stellar history of internal research and development had created a culture resilient to working externally. Should Merck pursue an open innovation strategy? If so, how? Another issue that the case deals with is executing corporate strategy via acquisitions of smaller biotech companies such as Merck's recent acquisition of Idenix.

**Concepts:** Mission and Vision, External Analysis, Competition, Internal Analysis, Business Strategy, Innovation, Technology, Corporate Strategy, Strategic Alliance, Mergers & Acquisitions, Organizational Culture, Organizational Change, Organizational Structure, Strategic Leadership, Ethics

**Context:**

- Ticker Symbol: MRK
- Protagonists: CEO Kenneth Frazier and Roger Perlmutter, president of research
- Country: USA
- Sector: Pharmaceuticals
- Company Employee Count: 76,000 (2014)
- Company Revenue: \$43.08B (2014)
- Event Year Begin: 2014
- Event Year End: 2014

**Teaching Note:** Available

**Case Title:** The Movie Exhibition Industry 2017

**Unique ID:** MHE-FTR-057-1259927628

**Abstract:** The current health of the movie exhibition industry is unclear. Domestic revenues and attendance appear to have peaked and the industry teeters on the cusp of maturity. Movie watchers are finding alternatives to going to the theater, including watching movies in the comfort of their own home on their own equipment. Digital distribution and the Internet have also increased the channels that consumers can use to access movies. The current generation of home theater technology rivals that in theaters and the next generation may exceed it. Worse, content providers are increasingly focused on growing the international market. Signs point toward consolidation in the industry. Exhibitors' three revenue streams (box office receipts, concessions, and advertising) are detailed along with the profitability and manageability each provides. Exhibitor initiatives in each area to draw viewers to the theater and improve profitability are presented. What should the major domestic exhibitors do to keep people coming to the theaters? Is the movie theater an outdated concept? Is there a way to update the experience? The case is well suited to serve as a course opener due to students' familiarity with movie theaters but limited understanding of the revenue streams, profitability, and threatening external environment. Data in the instructor's note allows for basic trend analysis and forecasting of prices using Excel.

**Concepts:** External Analysis, Industry Structural Analysis (5-Forces), Industry Life Cycle, Internal Analysis, Value Chain, Business Strategy, Value Proposition, International Strategy, Strategy Formulation, Strategic Actions, Strategic Initiatives, Strategic Alternatives, Strategy Implementation, Data Analysis

**Context:**

- Protagonist: Movie Exhibition Industry
- Country: USA
- Sector: Entertainment
- Company Employee Count: N/A
- Company Revenue: N/A
- Ticker Symbol: N/A
- Event Year Begin: 2000
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** Netflix, Inc.

**Unique ID:** MHE-FTR-043-1259927628

**Revised:** February 4, 2017

**Abstract:** In less than two decades, Netflix has grown from a DVD-by-mail service into a \$55-billion-dollar global company. Along the way, it disrupted established industry players and changed how television is watched. Netflix's success has attracted the attention of aggressive competitors like Amazon, HBO, and Hulu. Netflix CEO Reed Hastings must find ways to work with internet service providers (ISPs) to ensure that subscribers can access its content. As Netflix expands internationally (to 190 countries), it also needs to ensure that it invests in the content that will be relevant to its customers. How can Netflix keep subscribers loyal and acquire new ones?

**Concepts:** Strategy Process; Long Tail; Disruptive Innovation; Business Model Innovation; Network Effects; Core Competencies; Diversification; International Expansion

**Context:**

- Protagonists: Reed Hastings (CEO)
- Countries: USA, global expansion (190 countries)
- Sector: Home entertainment and movie industries
- Company Employee Count: ~ 4,000
- Company Revenues: \$55 billion
- Ticker Symbol: NFLX
- Event Year Begin: 1997
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** SpaceX

**Unique ID:** MHE-FTR-048-1259927628

**Revised:** September 10, 2017

**Abstract:** The case begins with Elon Musk, SpaceX CEO, reflecting on how to lower the costs of colonizing Mars. While it may seem fanciful, physicist Stephen Hawking has given humanity only 100 years to populate another planet to survive as a species. Elon Musk founded SpaceX in 2002 with proceeds from selling PayPal to eBay after researching and finding the costs of a rocket were roughly three percent the cost of a space launch. To lower costs, SpaceX is focused on designing reusable rocket and capsule space launch components. As SpaceX achieved multiple milestones, it gained U.S. government space launch contracts to cover costs and push technology development. However, existing technology does not make colonizing Mars feasible. While new technology is needed, the cost of space launch needs to be drastically reduced. Elon Musk plans to reduce current projected costs of populating Mars from \$10 billion per person to under \$200,000. However, the path to achieve that is unclear and SpaceX faces multiple competitors and technological hurdles. Elon Musk looks at the stars and wonders: How can we get there?

**Concepts:** External Analysis, Competition, Internal Analysis, Vision and Mission, Strategic Leadership, Strategic Positioning, Innovation, Technology, Core competencies, Strategic Alliances, Mergers & Acquisitions, Entry barriers, and Implementation of Strategic Initiatives.

**Context:**

- Ticker Symbol: N/A
- Protagonist: Elon Musk, CEO
- Country: USA
- Industry: Space Launch
- Company Employee Count: 6,000 (2017)
- Company Revenue: Unknown
- Event Year Begin: 2017
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** Starbucks Corporation

**Unique ID:** MHE-FTR-042-1259927628

**Revised:** January 4, 2017

**Abstract:** With more than 25,000 stores in 75 countries and \$21 billion in annual revenues, Starbucks is the largest roaster and retailer of specialty coffee in the world. Howard Schultz's strategic leadership was critical in turning Starbucks around. He is now hoping that his second retirement from the company he built from the ground up will be his final one. In the meantime, Kevin Johnson, the new CEO, faces several challenges. In particular, the question of maintaining core competencies and how to achieve future growth, both domestically and internationally is central to the case. The case also focuses on diversification, as Starbucks is branching out in new areas such as menu extensions including offering alcohol as well as rolling out coffee bars with high-end offerings such as a \$12 cup of coffee.

**Concepts:** Vision, Mission, and Values; Strategic Leadership and Succession; Core Competencies; Positioning Strategy; Maturing Domestic Market, International Growth Opportunities; Diversification: Product-Market and Geographic; Implementation of Strategic Initiatives

**Context:**

- Protagonists: Howard Schultz (CEO) and Kevin Johnson (COO)
- Countries: USA, China
- Sector: Roaster and retailer of specialty coffee; Restaurant industry
- Company Employee Count: 254,000, thereof 84,000 outside USA
- Company Revenues: \$21 billion
- Ticker Symbol: SBUX
- Event Year Begin: 2008
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** Tesla, Inc.

**Unique ID:** MHE-FTR-049-1259927628

**Revised:** October 6, 2017

### **Abstract**

The case is set in October 2017 and the case protagonist is Elon Musk, co-founder and CEO of Tesla, Inc., one of the first fully integrated sustainable energy and transportation companies. The case focuses on the electric vehicle segment of the business (formerly known as Tesla Motors Inc. prior to the 2016 acquisition of SolarCity, a solar energy company). The case begins by Elon Musk reviewing the latest production data for the newly introduced Model 3. Musk had promised that Tesla would build 1,500 vehicles of its newest car model in the third quarter of 2017, and then ramping up production to 5,000 Model 3 vehicles per week in the fourth quarter (for a total of 65,000 cars). The reality: the maker of all-electric vehicles barely managed to build 260 vehicles of the new Model 3 in the entire third quarter. The poor result is a huge disappointment. The case then goes on to look at Musk's new strategy introduced for the company in 2016 ("Master Plan, Part Deux") to continue the pursuit of its vision "to accelerate the advent of sustainable energy."

In 2017, Tesla, Inc. boasted a market capitalization of some \$60 billion, an appreciation of more than 1,300 percent over its initial public offering price in 2010 (Exhibit 1 in the case). Indeed, Tesla had become the most valuable American car maker, ahead of both, GM and Ford.

**Concepts:** Vision, Mission, and Values; Strategic Leadership; External and Internal Analyses; Functional Strategy, esp. Operations Management; Business Models; Competitive Strategy; Innovation and Technology Strategy; Platform Strategy and Network Effects; Learning Curve; Organizational Culture and Structure

### **Context:**

- Ticker Symbol: TSLA
- Protagonists: Elon Musk, co-founder and CEO
- Country: USA
- Company Employee Count: 18,000
- Company Revenue: \$10bn
- Market Cap: \$60bn
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** Uber Technologies Inc.

**Unique ID:** MHE-FTR-046-1259927628

**Revised:** October 2, 2017

### **Abstract**

Valued at \$70 billion in 2017, Uber is globally the most valuable private start-up. Uber had a tumultuous year, culminating in the forced resignation of Travis Kalanick, Uber's co-founder and long-time CEO, in the wake of several ethical and leadership shortcomings. The case protagonist is Arianna Huffington, an Uber board member, who has been tasked to guide the new CEO, Dara Khosrowshahi, as he addresses some of Uber's ethical shortcomings and prepares the ride-hailing company for an eventual initial public offering (IPO) within a timeframe of 18–36 months. Arianna Huffington and Dara Khosrowshahi have to address a number of critical issues, but not limited to: corporate culture; employee morale; alleged gender discrimination; non-stop negative coverage in the media; customers defecting to Lyft; driver dissatisfaction; continued and more draconian regulations by cities, counties, states, and even countries; defendant in lawsuit filed by Waymo alleging Uber stole proprietary self-driving car technology when acquiring Otto, a self-driving start-up created by a then-Waymo employee; among many other issues.

**Concepts:** Strategic Leadership; Business Model; Platform Strategy; Innovation and Technology Strategy; Business Ethics; Corporate Governance; Organizational Culture and Structure

### **Context:**

- Ticker Symbol: private – pre-IPO
- Protagonists: Arianna Huffington (Uber board member), Dara Khosrowshahi (CEO)
- Country: USA and worldwide (600 cities and over 60 countries)
- Sector: mobile logistics and transportation company; ride-hailing and other internet-based services
- Company Employee Count: ~ 12,000
- Company Revenue: > \$8 billion (2017)
- Market Cap: private – pre-IPO, but most valuable startup globally: \$70 billion
- Event Year: 2017

**Teaching Note:** Available

**Case Title:** UPS in India—Time to Shift Gears?

**Unique ID:** MHE-FTR-013-1259927628

**Revised:** November 27, 2017

### **Abstract**

Taking over as the CEO in 2014, Mr. David Abney announced that expansion in the emerging markets was his number one priority and the company would make acquisitions to build capabilities overseas. This goal meant deeper penetration of the growing Southeast Asian economies. India represented a lucrative opportunity as one of the largest economies in the world with a GDP of over \$2 trillion. Not only was the market large, it was growing fast at a rate of over seven percent annually—despite the global slowdown. UPS had already entered the Indian courier service market, although a period of neglect had allowed DHL to enter, partner with Blue Dart, and win three times the market share of its next largest competitor. UPS with its renewed global strategy was returning to India but now faced intense competition. Despite the competition, India offered a huge opportunity to established organized players in this segment as the country sought to build roads and infrastructure at a record pace. In 2017, the Goods and Services Tax law converted India into a single market rendering the state borders irrelevant, aiding the seamless movement of goods across the country. The new government, which won the general elections on a development mandate, had also brought in crucial reforms to improve the ease of doing business in India. Given these changed circumstances, what should be UPS's strategy to expand in India? Which lessons from those other markets could be leveraged in India?

**Concepts:** External Analysis, Competition, Business Strategy, Operations, Corporate Strategy, Strategic Alliances, International Strategy

### **Context:**

- Ticker Symbol: UPS
- Protagonist: Robin Page, Head of Strategy for Asia Pacific at UPS
- Country: USA and India
- Sector: Courier Services Company
- Employee Count: 434,000 (2016)
- Company Revenue: \$60.9B (2016)
- Event Year Begin: 2017
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** Walmart

**Unique ID:** MHE-FTR-045-1259927628

**Revised:** March 18, 2017

**Abstract:** The case details the changes Walmart CEO Doug McMillon implemented to address the competitive threat of e-commerce, including the closing of stores and the \$3.3 billion acquisition of Jet.com. Walmart struggles with a maturing and over-saturated U.S. market, where it had to close almost 300 stores (in 2016), a first in Walmart's history. The ecommerce threat is continuing to gain in strength. Doug McMillon needs to develop future growth, and is contemplating a hybrid retail strategy between physical stores and an online presence. Finally, Walmart continues to struggle internationally, especially in China and Brazil, which are potentially huge markets.

**Concepts:** Intended and Emergent Strategy; International Strategy; Core Competencies; Core Rigidities; Competitive Advantage; Diversification (especially geographic but also online); Firm Growth; Family-Controlled Business; Value Chain; VRIO Analysis; Implementation of Strategic Initiatives.

**Context:**

- Protagonist: Doug McMillon (CEO)
- Countries: USA, global (28 countries, especially China)
- Sector: Retail
- Company Employee Count: 2.2 million
- Company Revenues: \$486 billion
- Ticker Symbol: WMT
- Event Year Begin: 1971
- Event Year End: 2017

**Teaching Note:** Available

**Case Title:** The Walt Disney Company

**Unique ID:** MHE-FTR-044-1259927628

**Revised:** November 15, 2017

**Abstract:** With 195,000 employees, operations in 45 countries, and \$55 billion in annual revenues, Disney is the largest media and entertainment company in the world. The strategic leadership of Walt Disney, Michael Eisner, and Robert Iger was critical in turning Disney into such a colossus empire. The case covers the epic journey of Disney from its inception in 1923 to its record performance results in 2016. The case examines how Disney grew through the corporate strategies of vertical integration, diversification, and geographic expansion by leveraging the following core competencies: creative content, technology, synergy, and branding. The case opens with Robert Iger, the current CEO who is facing four major challenges: acquiring creative content, technology disruption, global resistance to Disney's association with "American imperialism," and finding a successor by 2019. These challenges involve further broadening the scope of Disney, having to face even more formidable competition from international companies as well as former customers such as Netflix, and possibly hiring an "untested" CEO who could derail Disney's past success.

**Concepts:** Vision, Mission, and Values; Strategic Leadership and Succession; Core Competencies; Positioning Strategy; Maturing Domestic Market, International Growth Opportunities; Diversification: Product-Market and Geographic; Implementation of Strategic Initiatives

**Context:**

- Protagonists: Robert Iger (CEO)
- Countries: USA
- Sector: Media and Entertainment
- Company Employee Count: 195,000 thereof 13,500 outside USA
- Company Revenues: \$55 billion
- Ticker Symbol: DIS
- Event Year Begin: 1923
- Event Year End: 2017

**Teaching Note:** Available