

Case Title: Airbnb, Inc.

Unique ID: MHE-FTR-058-126026128X

Revised: February 23, 2019

Abstract

The case is set in early 2019; and the protagonist of the case is Brian Chesky, co-founder and CEO of Airbnb, Inc.—an online platform that offers global hospitality services. The co-founder and CEO wonders when he should take Airbnb public, and perhaps more importantly, how going public would change the community-based company. In 2019, Airbnb had 5 million listings in over 81,000 cities in 190 countries. Airbnb offers more accommodations than the three biggest hotel chains combined: Marriott, Hilton, and InterContinental. In the same year, Airbnb was valued at \$31 billion, making it the third most valuable private company in the world, behind Uber (\$72 billion) and Didi Chuxing, a Chinese ride-hailing service, (\$56 billion). Airbnb's \$31 billion valuation was just shy of that of Marriott, the world's largest hotel chain, that was valued at \$37 billion (in early 2019). Airbnb's revenues reached \$4 billion (in 2018), while being profitable for the past few years.

Concepts

Strategic Leadership; Mission, Vision, Values; Stakeholder Strategy; Internal Analysis; Business Model; Platform Strategy; Entrepreneurial Ventures and Growth; Organizational Culture and Structure; Implementation

Context

- Ticker Symbol: private, pre-IPO
- Protagonists: Brian Chesky (co-founder and CEO)
- Country: USA and worldwide (81,000 cities and 190 countries)
- Sector: Online platform offering global hospitality services
- Company Employee Count: ~ 11,000
- Company Revenue: > \$4 billion (2018)
- Market Cap: private pre-IPO, but worldwide, third most valuable startup at \$31 billion
- Event Year: 2019

Teaching Note: Available

Case Title: Alphabet's Google

Unique ID: MHE-FTR-055-126026128X

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

- Protagonist: 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)
- Ticker Symbol: GOOGL
- Event Year: 2017

Teaching Note Available

Case Title: Amazon.com, Inc.

Unique ID: MHE-FTR-068-126026128X

Revised: December 16, 2019

Abstract

From humble beginnings as an online book retailer, founder and CEO Jeff Bezos has built Amazon.com into one of the most valuable companies globally with a market cap of some \$900 billion in 2019. Amazon has continued to diversify by integrating online and brick-and-mortar retail, hardware and software, products and services, and as well as original content creation and delivery via online streaming. Amazon Prime delivers content to over 100 million subscribers in the U.S. Amazon Web Services (AWS) is the largest provider of cloud computing services, with \$35 billion in sales and a 26 percent profit margin. Amazon's microtargeted online advertising services are growing rapidly. Yet, Amazon's retail business continues to display low profitability with thin margins of two percent, following years of losses. Amazon's overwhelming dominance in online commerce as a direct participant and as a provider of backend services to other firms is leading to calls for it to be broken up or to be regulated as a utility. Other strategic issues Jeff Bezos must address include continued diversification and international competition. Amazon's hard-charging workplace culture is also discussed.

Concepts

Strategic Leadership; Stakeholder Strategy; Competitive Strategy; Business Models; External Analysis and Competition; Internal Analysis and Core Competencies; Platform Strategy; Industry Convergence; Technology Strategy and Innovation; Digital Transformation; Corporate Strategy (Diversification and Vertical Integration); Strategy Implementation

Context

- Ticker Symbol: AMZN
- Protagonist: Jeff Bezos, CEO and Founder
- Country: USA (worldwide reach online)
- Sector: e-retail, cloud computing, media content, computer hardware and software, online advertising
- Company Employee Count: 647,500
- Company Revenue: \$265.5bn
- Market Cap: \$867bn
- Event Year: 2019

Teaching Note: Available

Case Title: Apple Inc.

Unique ID: MHE-FTR-069-126026128X

REV: November 18, 2019

Abstract

The case protagonist is Tim Cook, the CEO at Apple, Inc. In 2019, Apple had revenues of \$260 billion; yet, net revenues were down by 7 percent over the same period. Much of the decline in Apple's revenues is a result of decreased sales of the iPhone, which contributed 62 (!) percent of Apple's total revenues in 2018, and declined to 54 percent in 2019. The case highlights the problems Tim Cook faces as demand of the iPhone slows, and Apple has failed to introduce any major new product since the iconic iPhone was launched in 2007.

Trade tensions between the United States and China, moreover, are also negatively impacting the company. Over the past few years, the Chinese market accounted for 25 percent of Apple's total revenues. Apple is exposed to the trade tensions in two ways in particular. Moreover, the threatened imposition of tariffs on Chinese goods by the United States would further hurt Apple by raising the effective cost of Apple products in the United States because almost all of their manufacturing is done in China by Foxconn.

Finally, Apple recently entered the video-streaming market, with its Apple TV+ service, which will develop original programming as well as act as a pipeline for other channels. This is a crowded market with strong existing players such as Netflix, Hulu (controlled by Disney), and AT&T's HBO. Other notable new entrants into the content streaming market include Disney+.

Concepts

Strategic Leadership; Business Model; External and Internal Analyses; Competitive Strategy; Innovation and Technology Strategy; Industry Life Cycle; Diversification

Context

- Ticker Symbol: AAPL
- Protagonist: Tim Cook, CEO Apple
- Country: USA
- Sector: Tech, including computers, smart phones, wearables, and streaming services
- Company Employee Count: 137,000
- Company Revenue: \$260.17 billion (FY2019)
- Market Cap: \$1.184 Trillion (November 2019)
- Event Year End: 2019

Teaching Note: Available

Case Title: Best Buy Co., Inc.

Unique ID: MHE-FTR-066-126026128X

Revised: 2019

Abstract

In June 2019, Best Buy appointed Corie Barry as new CEO. Her predecessor, CEO Hubert Joly, had successfully tackled BBY's two main problems—declining comps and margins—and engineered a financial turnaround within his first five years on the job. Despite its surviving as a retailer, Best Buy and Corie Barry confront multiple challenges. Best Buy is still a predominantly bricks-and-mortar store with an online presence (just 20.9 percent of sales are generated online in 2018 compared to 17 percent in 2015). Additionally, the United States is no longer the world's largest consumer retail market, and Best Buy has retreated to North America after failing to expand to China and Europe. Further, consumer electronics are caught within trade disputes between China and the United States. Under Joly, Best Buy balanced providing differentiated service with trained staff at competitive prices involves. However, Corie Barry needs to consider whether that balance can be maintained going forward, or whether Best Buy needs to further adapt.

Concepts

Core competencies; competitive advantage; diversification (geographic and online); positioning strategy; firm growth; VRIO analysis; stakeholder analysis; strategic implementation

Context

- Protagonist: Corie Barry, CEO
- Country: USA
- Sector: Retail trade, household appliance stores, electronics stores
- Company Employee Count: 125,000
- Company Revenue: \$43 billion
- Ticker Symbol: BBY
- Event Year: 2019

Teaching Note: Available

Case Title: Better World Books and the Triple Bottom Line

Unique ID: MHE-FTR-030-126026128X

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)
- Event Year: 2015

Teaching Note Available

Case Title: Delta Airlines, Inc.

Unique ID: MHE-FTR-056-126026128X

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: The Walt Disney Company

Unique ID: MHE-FTR-070-126026128X

Revised: February 27, 2020

Abstract

The protagonist in the case is Disney CEO Bob Chapek. The case examines how Disney grew through the corporate strategies of vertical integration, diversification, and geographic expansion. It also focuses on the technological changes in the media entertainment industry. Impending streaming wars mean Disney will face even more formidable competition that may disrupt its reliance on leveraging billion-dollar franchises. In 2019, Disney closed its \$71.3 billion acquisition of 21st Century Fox's entertainment assets. Disney is also rolling out its own new streaming service called Disney+, thus moving into the direct-to-consumer space. At the same time, Apple also announced its new streaming services, Apple TV+.

With \$60 billion in annual revenues in 2019, The Walt Disney Company is one of the world's largest media companies. As a diversified media company, Disney is active in a wide array of business activities, from movies to amusement parks as well as cable and broadcast television networks (ABC, ESPN, and others), cruises, retailing, and streaming

Concepts

Strategic Leadership and CEO Succession; Core Competencies; Innovation and Technology Strategy; Ecosystems and Platform Strategy; Vertical Integration; Diversification: Product-Market and Geographic; Economies of Scope; and Implementation of Strategic Initiatives

Context

- Ticker Symbol: DIS
- Protagonist: Bob Chapek (CEO)
- Country: USA; China and Europe
- Sector: Media and Entertainment
- Company Employee Count: 201,000
- Company Revenue: \$65 billion
- Event Year Begin: 1923
- Event Year End: 2020

Teaching Note: Available

Case Title: Facebook, Inc.

Unique ID: MHE-FTR-062-126026128X

Revised: October 18, 2019

Abstract

The protagonist of the case is Sheryl Sandberg, Facebook's COO. The case opens with her contemplating the new ventures on which Facebook is embarking, such as its transformation into a mega-app, the launch of its Libra cryptocurrency and the roll-out of its dating site, so as to continue its growth and to fend off competition. More than 99 percent of Facebook's revenues come from advertising and, along with Alphabet's Google, it dominates the digital advertising space. However, Facebook and other big tech companies are coming under increasing attack from governments and civil society groups for this dominance. Antitrust investigations and possible break-ups of these big firms are being proposed. 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.

Sandberg is facing other challenges as well. Concerns about how Facebook uses data it gathers from its users have come to the forefront. It has fallen afoul of privacy laws in Europe and the United States and been subject to large fines. Facebook's role as a vehicle for propagating fake news has been under scrutiny. Elections in the United States have been impacted and civil unrest (with occasionally fatal results) has occurred in other countries. Libra itself is facing problems, as governments and regulators voice objections to its introduction, applying pressure on potential partners. In 2019, Facebook was the fifth most valuable company on the planet, with a market capitalization of \$540 billion (behind Microsoft, Amazon, Apple, and Alphabet).

Concepts

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

Context

- Ticker symbol: FB
- Protagonist: Sheryl Sandberg, COO Facebook
- Country: USA (worldwide reach online)
- Sector: Social networking and online advertising
- Company employee count: 39,651
- Company revenue: \$60 billion (2019)
- Market Cap: ~\$540 billion (September 2019)
- Event Year: 2019

Teaching Note: Available

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

Unique ID: MHE-FTR-061-126026128X

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.

Sandberg is facing other challenges as well. Concerns about how Facebook uses data it gathers from its users have come to the forefront. It has fallen afoul of privacy laws in Europe and the United States and been subject to large fines. Facebook's role as a vehicle for propagating fake news has been under scrutiny. Elections in the United States have been impacted and civil unrest (with occasionally fatal results) has occurred in other countries. Libra itself is facing problems, as governments and regulators voice objections to its introduction, applying pressure on potential partners. In 2019, Facebook was the fifth most valuable company on the planet, with a market capitalization of \$540 billion (behind Microsoft, Amazon, Apple, and Alphabet).

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: McDonald's Corporation

Unique ID: MHE-FTR-065-126026128X

Revised: November 4, 2019

Abstract

McDonald's newly appointed CEO Chris Kempczinski, who assumed office on November 4, 2019, is the protagonist of the case. With \$21 billion in sales (in 2019) and 45,000 restaurants globally (thereof 27,000 in the United States), McDonald's remains the largest quick-service restaurant (QSR) chain. Attempting to be "everything for everybody," McDonald's fell victim to being "stuck-in-middle," without a clear strategic position.

Kempczinski must confront several challenges if he is to return the company to its former glory, including: 1) How to balance the need to introduce new items while addressing "menu bloat"? 2) How to re-establish the reputation for quality products? 3) How to appeal to Millennials? 4) How to upgrade the customer experience through all channels and locations (in-store, delivery, and drive-through)? 5) How to reignite growth?

Concepts

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

Context

- Ticker Symbol: MCD
- Protagonist: Chris kempczinski, CEO
- Country: USA (and international)
- Sector: Fast-food and quick-service restaurants
- Company Employee Count: 210,000 (worldwide)
- Company Revenue: \$21 billion (2019)
- Market Cap: \$150 billion (2019)
- Event Year: 2019

Teaching Note: Available

Case Title: Merck & Company, Inc.

Unique ID: MHE-FTR-029-126026128X

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
- Protagonist: CEO Kenneth Frazier and Roger Perlmutter, president of research
- Country: USA
- Sector: Pharmaceuticals
- Company Employee Count: 76,000 (2014)
- Company Revenue: \$43,08 billion (2014)
- Event Year Begin: 2014
- Event Year End: 2014

Teaching Note: Available

Case Title: The Movie Exhibition Industry 2019

Unique ID: MHE-FTR-064-126026128X

Revised: March 2019

Abstract

The health of the domestic movie exhibition industry—movie theaters—is unclear. Domestic revenues and attendance have plateaued in recent years. The industry appears to be entering 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 of theaters, and the next generation may exceed it. Worse, content providers focus increasingly on growing the international market. Consolidation is beginning to occur among both domestic and international exhibitors. Exhibitor 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 student familiarity with movie theaters but limited understanding of the revenue streams, profitability, and threatening external environment. The case can also be revisited to assess corporate-level and international aspects. Data in the Teaching Note allows for basic trend analysis and forecasting of prices using Excel.

Concepts

External Analysis, Industry Structural Analysis (5-Forces), Buyer Power, Supplier Power, Substitutes, Industry Life Cycle, Internal Analysis, Value Chain, Business-level Strategy, Value Proposition, International Strategy, Strategy Formulation, Strategic Actions, Strategic Initiatives, Strategic Alternatives, Strategy Implementation, Data Analysis, Corporate-level Strategy, Consolidation, Mergers, Acquisitions

Context

- Ticker Symbol: N/A
- Protagonist: Movie Exhibition Industry
- Country: USA
- Sector: Entertainment
- Company Employee Count: N/A
- Company Revenue: N/A
- Event Year Begin: 2000
- Event Year End: 2019

Teaching Note: Available

Case Title: Netflix, Inc.

Unique ID: MHE-FTR-043-126026128X

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

- Protagonist: Reed Hastings CEO
- Country: USA, global expansion
- Sector: Home entertainment and movie industry
- Company Employee Count: ~4,000
- Company Revenue: \$55 billion
- Ticker Symbol: NFLX
- Event Year Begin: 1997
- Event Year End: 2017

Teaching Note Available

Case Title: Nike, Inc.

Unique ID: MHE-FTR-060-126026128X

Revised: October 26, 2019

Abstract

The case is set in January 2020 and the case protagonist is John Donahoe, Nike's new CEO. Nike is the largest company worldwide in the athletic footwear, apparel, and equipment business. The case focuses on the challenges Donahoe faces as he attempts to drive Nike to the goal of \$50 billion in annual revenues by 2021. The case focuses on Nike's competition, the convergence of technology with apparel and footwear, as well as the company's corporate social responsibility issues.

Donahoe has to address internal as well as external challenges. Donahoe was appointed CEO at a time when the Oregon sports and apparel company faces a number of controversies, including when Nike-sponsored athletes were caught up in scandals; the ban of Alberto Salazar, Nike's top running coach amid doping allegations; as well as continued concerns about Nike's workplace culture after an internal employee survey leaked describing the company as run by a boys club that is hostile towards women.

Nike faces tough competition in all of its market, as well as along the value chain. Rapid advances in mobile technology and the development of the Internet of Things (IoT) could fundamentally change the industry. Nike is also moving further into ecommerce to offset the "Amazon effect." The fast-growing Chinese market, moreover, may provide an avenue for needed future growth.

Concepts

Vision, mission, and values; strategic leadership; corporate social responsibility; branding and reputation; core competencies; business strategy, business modes; innovation and technology strategy; corporate strategy (M&A, strategic alliances); organizational culture and change management

Context

- Ticker symbol: NKE (NYSE)
- Protagonist: John Donahoe, CEO
- Country: USA
- Company employee count: 73,000
- Company revenue: \$40bn
- Market Cap: \$135bn
- Event Year: 2020

Teaching Note: available

Case Title: SpaceX

Unique ID: MHE-FTR-048-126026128X

Revised: November 22, 2019

Abstract

SpaceX is the largest private space launch company in the world, and it has made significant technological strides. Founded by Elon Musk, in 2002, following the sale of PayPal to eBay, SpaceX has the underlying goal of making humans an interplanetary species by colonizing Mars. Elon Musk is closely associated with the firm and his strategic leadership has contributed to multiple achievements. However, SpaceX faces increased competition, the need to lower costs, and the need for additional technology advances to meet its goals. The case outlines the history of SpaceX, different segments of space launch, and a variety of established and emerging competitors, including Blue Origin that is personally financed by Jeff Bezos. The final section of the case outlines some of the remaining hurdles for SpaceX to meet its goals, including space law, politics, space debris, and human and technology limits. The case concludes with asking what else SpaceX needs to do to colonize Mars.

With \$60 billion in annual revenues in 2019, The Walt Disney Company is one of the world's largest media companies. As a diversified media company, Disney is active in a wide array of business activities, from movies to amusement parks as well as cable and broadcast television networks (ABC, ESPN, and others), cruises, retailing, and streaming

Concepts

External Analysis, Competition, Vision, Mission, Strategic Leadership, Core Competencies, Strategic Positioning, Innovation, Technology Change, Strategic Alliances, Mergers and Acquisitions

Context

- Ticker Symbol: N/A, privately held
- Protagonist: Elon Musk (CEO)
- Country: USA
- Sector: Space Launch
- Company Employee Count: 6,500
- Company Revenue: \$2 billion
- Event Year Begin: 2019
- Event Year End: 2019

Teaching Note: Available

Case Title: Starbucks Corporation

Unique ID: MHE-FTR-043-126026128X

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

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

Teaching Note Available

Case Title: Tesla, Inc.

Unique ID: MHE-FTR-067-126026128X

Revised: March 7, 2020

Abstract

The case is set in January 2020 and the case protagonist is Elon Musk, co-founder and CEO of Tesla, Inc., a fully integrated sustainable energy and transportation company. The case sets up real-world, factual problems that Elon Musk and Tesla face, including how to scale-up production profitably while launching several new models at the same time. Future demand in Tesla's key markets—the United States, China, and Europe—is also uncertain.

Tesla, Inc. employed about 50,000 people worldwide and boasted a market capitalization of \$150 billion, an appreciation of more than 6,000 percent over its initial public offering in 2010. This made the electric vehicle startup more valuable than GM, Ford, and Fiat Chrysler combined and the second most valuable auto company globally, only behind Toyota Motor Corp. but ahead of the Volkswagen Group, the world's two largest car manufacturers. To put Tesla's stock market valuation in perspective, in 2019, GM and Ford combined made more than 10 million vehicles while Toyota and Volkswagen each made over 10 million. In comparison, Tesla made less than 370,000 cars.

Concepts

Vision, Mission, and Values; Strategic Leadership; External and Internal Analyses; Functional Strategy, especially Operations Management; Business Models; Competitive Strategy; Innovation and Technology Strategy; Platform Strategy and Network Effects; Learning Curve and Economies of Scale; Corporate Strategy, Vertical Integration, and Diversification; Global Strategy; and Organizational Culture and Structure.

Context

- Ticker Symbol: TSLA
- Protagonist: Elon Musk, co-founder and CEO
- Countries: USA, China, and Europe
- Company Employee Count: 50,000
- Company Revenue: \$25bn
- Market Cap: \$150bn
- Event Year: 2020

Teaching Note Available

Case Title: Uber Technologies Inc.

Unique ID: MHE-FTR-046-126026128X

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. Donahoe has to address internal as well as external challenges. Donahoe was appointed CEO at a time when the Oregon sports and apparel company faces a number of controversies, including when Nike-sponsored athletes were caught up in scandals; the ban of Alberto Salazar, Nike's top running coach amid doping allegations; as well as continued concerns about Nike's workplace culture after an internal employee survey leaked describing the company as run by a boys club that is hostile towards women.

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
- Protagonist: 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-013-126026128X

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?

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: The Vanguard Group

Unique ID: MHE-FTR-059-126026128X

Revised: February 3, 2019

Abstract

In 2019, The Vanguard Group with \$5.1 trillion in assets under management was the largest global provider of mutual funds, and the second largest provider of EXCHANGE traded funds after BlackRock, which had \$6.3 trillion in assets under management. The case is set in 2019 with Vanguard's CEO Tim Buckley as the protagonist. He is facing several challenges: 1) Vanguard's traditional cost leadership strategy built on its lowest expense ratio in the industry (and a strategic activity system supporting it) has been mitigated by its competitors; 2) Vanguard has been a laggard in technology adoption and the use of sophisticated IT systems and AI; 3) With the rise of Exchange Traded Funds (ETFs), many question whether Vanguard's philosophy of passive long-term investments is still appealing to younger customers; and 4) Vanguard is mainly a U.S. domestic player, while many of its competitors are globally active.

Concepts

Strategic Leadership; Mission, Vision, Values; External Analysis; Internal Analysis; Business Model; Competitive Strategy; Innovation and Technology Strategy; Implementation

Context

- Ticker symbol: The Vanguard Group is owned by its funds.
- Protagonist: Tim Buckley, CEO
- Country: USA and worldwide
- Sector: Investment management and advising
- Company Employee Count: ~ 16,600
- Company Revenue: Provide services with no profit margin because it is owned by its funds.
- Market Cap: not listed; owned by its funds.
- Event Year: 2019

Teaching Note Available

Case Title: Walmart

Unique ID: MHE-FTR-045-126026128X

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