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HBS Europe Research Center UPDATE MARCH – APRIL 2004

In this update: New publications on cat bonds and Wal-Mart in Europe; ongoing research in Czech bank mergers, sustainable development and international capital flows; and reports from the spring meetings of the centers two advisory boards.

NEWLY RELEASED CASES AND RESEARCH

Case: "Bank Leu"

Developed by Professors George Chacko and Peter Hecht, FIN, the case shows how Bank Leu, a Swiss private bank, considers creating a public fund for catastrophe bonds in 2001. Exploring Bank Leu's decision as a buy-side participant, the case discusses how insurance risks can be transferred to the capital markets.

Case: "Wal-Mart in Europe"

This recently released and currently revised case, for the first year MBA BGIE required course, written by Professor Gunnar Trumbull, BGIE, examines how the entry of this American retailer in UK and Germany is viewed by competition, unions, and industry associations.

RESEARCH IN PROGRESS

The ERC is currently working on a number of cases and research projects, featuring:

- A Czech bank's acquisition in 2000, told against the backdrop of the Czech macro economic environment (with Professor Rawi Abdelal, BGIE)
- The decision at a global food company to spin off a part of its non-food activities, and its impact on valuation (with Professor Mihir Desai, FIN)
- A catastrophe bond case describing sell side activities, to complement the Bank Leu case above (with Professor George Chacko, FIN)
- International capital flows (with Professor Rawi Abdelal, BGIE)

The ERC is also in the early stages of exploring several other projects, as for instance the sustainable development projects at a Swiss retailer (with Professor Forest Reinhardt, BGIE).

VISITS INVOLVING THE CENTER

Research activities in March and April involved visits with Professor Forest Reinhardt, BGIE, to Zürich; Professor Estelle Cantillon to London; and Professor Rawi Abdelal, BGIE, to Prague.

In addition, we were happy to host at the center in Paris:

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| HBS Faculty | <ul style="list-style-type: none">• Professor Rosabeth M. Kanter, GM, for meetings with an international advertising company.• Professor Rawi Abdelal, BGIE, who stayed during the whole month of April for a research project on international capital flows and a case on a Czech Bank.• Professors George Chacko and Peter Hecht, FIN, for work on several cases in progress.• Professor Andrew McAfee, TOM, who stopped by to scope new cases.• Professor Dwight Crane, FIN, for the ELC meeting (together with Forest Reinhardt) and for several other meetings with European Alumni. |
| HBS Staff | <ul style="list-style-type: none">• Eileen Keohane, Director Global Initiative, for the ELC meeting.• Susan Hamilton, External Relations, for the ELC and other meetings. |
| Other Visitors | <ul style="list-style-type: none">• From the Africa Regional Services (ARS) at the US Embassy in Paris: Ms Angier Peavy, Director, and Violetta Castillo to discuss their Africa Speaker/Specialist program |

This bi-monthly update from the HBS Europe Research Center summarizes ongoing and future projects at the center. To stop receiving the update, contact dbeyersdorfer@hbs.edu.

Upcoming long-term visits at the center involve:

- Professor Gunnar Trumbull, BGIE, to stay several weeks in late May/June for his research work on French and German Consumer Protection policy making.

EVENTS

Awards Ceremonies: ERC participated in several Awards Ceremonies in March: The 2004 L'Oréal-Unesco Award for "Women in Science" honoring 5 woman researchers and granting fellowships to another 15 international researchers; the Award for the "Most important international investors in Paris in 2004" at the Paris Chamber of Commerce CCMP (ERC was a laureate in 2003); and the price of the "Golden Pen" for the best French case writers of the CCMP.

The Campaign Event in London: Over 420 HBS alumni and guests from 18 European countries gathered in London on March 24 to celebrate The Campaign for Harvard Business School. The gala event, hosted by Dean Kim B. Clark, included presentations by Professors Rosabeth Moss Kanter and Nancy Koehn. Guests attended a reception and dinner at the Banqueting House, Whitehall Palace where Campaign Chairman, C.D. Spangler, Jr. (MBA '56) and Sir Martin Sorrell (MBA '68) provided remarks on the School and the importance of the Campaign. The goal of the Campaign is \$500 million to support 5 key initiatives.

Board Meetings: Two advisory bodies support the ERC and met recently: First, on March 26, the European Advisory Board (EAB) held their annual meeting at the InterContinental Amstel Hotel in Amsterdam. The meeting featured presentations by Dean Kim Clark, Professor Dwight Crane, Senior Associate Dean and Faculty Chair of the European Research Initiative, Professor John Quelch, Senior Associate Dean of International Development, Professor Forest Reinhardt, BGIE and ERC Executive Director Vincent Dessain. Then, on March 29, the European Leadership Council (ELC) held their Spring Workshop in the Paris-offices of Bain & Company. 22 ELC members from across Europe saw presentations from Professor Dwight Crane, Professor Forest Reinhardt, Guy Tardieu, Air France, Jean-Pierre Felenbok, Bain & Company and Vincent Dessain.

The discussions with both EAB and ELC members proved – as always – very fruitful in generating case and research leads. The next ELC workshop will take place in Munich on October 8, 2004.

Visit to Boston: In April, the whole ERC team spent one week on campus. Vincent presented the ERC activities to faculty and staff at the faculty meeting and at an open Brown Bag Lunch. The trip proved also an excellent occasion to meet with faculty members, other centers' directors and HBS staff to explore new case leads and research projects.

COMMENTS?

We welcome all suggestions and comments. Please contact us:

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More information about the ERC: <http://www.hbs.edu/global/europe.html>.

Best regards,

The staff of the HBS Europe Research Center

Mission of the HBS Europe Research Center:

The mission of the European Research Center is to support faculty in their research and case writing projects throughout Europe. In addition, the ERC builds relationships with European business and political leaders, educational institutions, and alumni.

HBS UNITS LEGEND:

A&C	Accounting and Control	MKT	Marketing
BGIE	Business, Government and the International Economy	NOM	Negotiation, Organizations & Markets
EM	Entrepreneurial Management	OB	Organizational Behavior
FIN	Finance	STRAT	Strategy
GM	General Management	TOM	Technology and Operations Management