



H A R V A R D | B U S I N E S S | S C H O O L

HBS Europe Research Center (ERC) UPDATE SEPTEMBER 2008 – MARCH 2009

In this update: New publications on Voss Artesian Water from Norway and Columbus Tubing; ongoing research in Finance, Entrepreneurial Management, and Technology and Operations Management; ERC case interviews and field research in Italy, Spain and France; alumni receptions and faculty presentations in Italy and France, a European Advisory Board meeting on campus, and a European Leadership Council meeting in Stockholm.

Also, please welcome our new Research Assistants, Simon Harrow and Elisa Farri, and our new Executive Assistant, Oksana Maiboroda.

A British citizen, Mr. Harrow holds a BA degree in Modern Languages and International Business from South Bank University, UK, and has experience both in European public and private sectors.

An Italian citizen, Ms. Farri holds an MSc degree in Economics from Bocconi University, Milan, and has research experience from Fondazione Rodolfo De Benedetti, Milan.

A Lithuanian citizen, Ms. Maiboroda holds a BA degree in Business Administration from LCC International University, Klaipeda, Lithuania. She has previous experience from the educational and publishing sectors.

NEWLY RELEASED CASES

Case: Voss Artesian Water from Norway

Co-authored with Professor Youngme Moon, MKT, the case features Norwegian bottled water company Voss which produced one of the world's purest drinking waters, and marketed it as a luxury product. Voss was successful in entering the over-crowded U.S. bottled water market by a strategic use of branding and packaging. The water was sold at an ultra-premium price in an elegant glass bottle, typically in high-end restaurants, hotels, and clubs. In order to further enhance sales, the company considered two options; expanding distribution to the off-premise channel such as gourmet retail outlets; and/or broadening the product portfolio by launching brand extensions and new packaging sizes and materials, such as flavored waters and colored plastic bottles. The challenge facing the entrepreneurs was how to take the company to the next level without damaging the ultra-premium brand image they had worked so hard to build.

Case: Columbus Tubing: Steel is Real

Co-authored with Professors Daniel Snow and Gary Pisano, TOM, the case features Italian steel tubing manufacturer Columbus Tubing which produces tubing components for bicycles. The company faces a choice between improving an old technology (steel tubes) and developing a new material (carbon fiber). The decision must take into account a complicated context: increased demand for quality steel products made in Italy, increasing power of carbon fiber manufacturing partners in Asia, growing wage rates in Asia, and high wage rates in Italy. Two plans have been presented to the CEO, Antonio Colombo. The first is to push the development of all of the company's technologies, and perhaps to seek new markets for them. The second is to rationalize operations and to redirect R&D resources to the marketing of stylish, lower-tech bicycles. The company's future hangs in the balance.

SAMPLE RESEARCH IN PROGRESS

The ERC is currently working on several cases and research projects such as:

- A case on restructuring in the transportation sector with Professor Stuart Gilson, FIN.

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

- A case on the launch of an innovative product in the telecommunications sector with Professors Thomas Eisenmann, Toby Stuart, and Bhaskar Chakravorti, EM.
- A case on store network management in the fashion industry with Professor Zeynep Ton, TOM.

The ERC is also exploring a possible case on industrial design in the information technology sector with Professor Stefan Thomke, TOM.

VISITS INVOLVING THE CENTER

Research activities in September 2008 through March 2009 involved case site interviews in Italy with a luxury goods company for a case with Professor Asis Martinez-Jerez, A&M; case site interviews in Spain with a company in the financial sector for a case with Professor Gunnar Trumbull, BGIE; case site interviews in France with a company in the telecommunications sector for a case with Professors Thomas Eisenmann, Toby Stuart, and Bhaskar Chakravorti, EM; case site interviews in Spain with a company in the fashion industry for a case with Professor Zeynep Ton, TOM; case site interviews in France with a company in the transportation sector for a case with Professor Stuart Gilson, FIN and Research Associate Sarah Abbott.

In addition, we were happy to see here in Paris:

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| HBS Faculty | <ul style="list-style-type: none">• Professor Forest Reinhardt, BGIE.• Professor David Yoffie, STRAT, who made a presentation at the ERC for HBS local alumni.• Professor Arthur Segel, FIN, EM, who made a presentation at the ERC for HBS local alumni. |
| HBS Staff | <ul style="list-style-type: none">• David Champion, Senior Editor, Harvard Business Review.• Heather Lamb, Assistant Director, MBA Admissions.• Susan Hamilton, Senior Development Officer and Director of International Relations, External Relations.• Ani Kharajian, Director Emerging Markets, Executive Education.• Mary Ann O'Loughlin, Director, Corporate Relations & Market Development, Executive Education.• Cathy Hutchinson, Associate Director, MBA Career Services. |
| Other Visitors | <ul style="list-style-type: none">• Frank Dangeard, European Advisory Board member.• André François-Poncet, MBA 1984, European Advisory Board member.• Karen Wilson, MBA 1991, European Leadership Council member.• Hubert Birner, MBA 1996, European Leadership Council member.• Gwarlann de Kerviler, MBA 2007. |

EVENTS

HBS Alumni Reception and Faculty Presentation with Professor Asis Martinez-Jerez, A&M, Milan, September: HBS alumni were invited to a talk on Professor Martinez' research on customer information. On this occasion, Vincent Dessain presented the ERC activities.

Global Advisory Board Gathering and Europe Advisory Board (EAB) Meeting, Boston, October: All HBS Research Centers' Advisory Boards gathered in Boston on the occasion of the School's Centennial Celebrations. The Global Advisory Board members were welcomed by Professor Jay O. Light, Dean of the Faculty, and Professor Krishna Palepu, Senior Associate Dean for International Development, who jointly presented the HBS Global Strategy. The Global Advisory Board members then separated to join their regional boards. The European Advisory Board (EAB) was welcomed by Professor Forest Reinhardt, Faculty Chair of the European Research Initiative, who made opening remarks. ERC Executive Director Vincent Dessain presented an update on the Center's activities followed by a discussion about HBS and ERC engagement in Europe.

ERC Roundtable on “Judo Strategy” with Professor David Yoffie, STRAT, November: HBS alumni were invited to a talk on Professor Yoffie’s research on how companies can use the size and strength of their competitors against them. Using judo as a metaphor, Professor Yoffie explained various techniques that smaller companies can utilize to build competitive advantage against their larger, more powerful competitors. On this occasion, Vincent Dessain presented the ERC activities.

European Leadership Council (ELC) Meeting in Stockholm, November: The ELC members were welcomed by Professor Forest Reinhardt, Faculty Chair of the European Research Initiative, who made opening remarks. ERC Executive Director Vincent Dessain presented an update on the Center’s activities.

ERC Roundtable on “The US Credit Crisis, Consequences for the Real Estate market” with Professor Arthur Segel, FIN, EM, February: HBS alumni were invited to a talk on Professor Segel’s current research. Attendees were welcomed by Jean-Pierre Felenbok, Vice President of HBS Club de France, who made opening remarks.

COMMENTS?

We welcome all suggestions and comments. Please contact us:

- Vincent Dessain, Executive Director, vdessain@hbs.edu
- Oksana Maiboroda, Executive Assistant, omaiboroda@hbs.edu
- Elena Corsi, Research Associate, ecorsi@hbs.edu
- Elisa Farri, Research Assistant, efarri@hbs.edu
- Simon Harrow, Research Assistant, sharrow@hbs.edu

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 Europe 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&M	Accounting and Management	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