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HBS Europe Research Center UPDATE SEPTEMBER – OCTOBER 2005

In this update: New publications on Agora, Land Securities and Capital Rules, ongoing research in marketing, finance and accounting, the European Leadership Council meeting in Zurich, ERC case interviews in Germany, the UK, the Netherlands and France, and a trip for the Executive Director's Retreat in Boston.

Also, please welcome our new Executive Assistant Elena Corsi and join us to congratulate Daniela Beyersdorfer in her new position as Research Assistant.

NEWLY RELEASED CASES AND RESEARCH

Case: Agora

Developed by Professor Tarun Khanna, STRAT, Professor Krishna G. Palepu, A&C, Vincent Dessain and Monika Stachowiak, this case examines the corporate strategy of Poland's largest media company, Agora. Originally established in 1989 by journalists closely linked to the anti-communist movement Solidarity, Agora now has to defend its market position in a context of free press and growing competition which above all affects its flagship publication, Gazeta Wyborcza.

Case: Land Securities Group (B)

Developed by Edward J. Riedl, A&C with support by the ERC, the case describes a U.K. real estate firm's reaction to new international accounting standards (IAS). Land Securities have to change the reporting of its primary asset (investment property) from the revaluation model under U.K. GAAP to either the cost or fair-value model under IAS. An earlier case from the same author focused on the choice between cost based and fair value models; this case looks at how to convey the decision to investors.

Book: Capital Rules: Institutions and the International Monetary System, Cambridge, MA, Forthcoming

By Professor Rawi Abdelal, BGIE, with support by the ERC. The book analyses how the institutional foundations for global capital markets evolved with particular attention devoted to Europe. The objective is to understand how the OECD effectively implements peer pressure to ensure efficient international capital flows.

SAMPLE RESEARCH IN PROGRESS

The ERC is currently working on several projects such as:

- A note describing the various stakeholder groups with which companies need to interact, such as employees, shareholders, clients, interest groups and the public, with Professor Greg Miller, A&C.
- A corporate governance case on a German company, with Professor Dwight B. Crane, FIN.

The ERC is also exploring new topics such as a marketing case on a Bordeaux wine chateau with Professor John Deighton, MKT.

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

VISITS INVOLVING THE CENTER

Research activities in September and October involved case site trips to the Netherlands, Germany and UK for case interviews with Professor Dwight B. Crane, FIN.

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, for an update on research in progress and work on ongoing case projects. • Professor Asís Martínez-Jerez, A&C, for case site interviews in France regarding research on Customer Profitability Measurement Systems. • Professor Malcom S. Salter, NOM, accompanied by Susan Hamilton, who stopped by while in Paris for a presentation at the HBS alumni club and other meetings. • Professor Rafael Di Tella, BGIE, who spent time at the Center while in Paris to attend a conference and pursue his research. • Professor Laura Alfaro, BGIE, who visited the center while in Paris for work and for a conference. |
| HBS Staff | <ul style="list-style-type: none"> • Susan Hamilton, European External Relations, for various meetings in Paris. |
| Other Visitors | <ul style="list-style-type: none"> • Jean-Michel Raicovitch, Deputy General Manager and Alice Blondel Responsible for new Projects of Accentiv for a meeting at the ERC with Professor Asís Martínez-Jerez, A&C, and ERC staff on Customer Profitability Measurement Systems. |

EVENTS

Visit on Campus for the Global Initiative's Executive Director's Retreat: Vincent participated in a retreat led by Professor Krishna Palepu, Senior Associate Dean, for the Executive Directors of all research centers. Vincent gave an update on ERC's activities to HBS staff during a Brown Bag Lunch and met with 30 faculty members to discuss ongoing and prospective projects, as well as with administrative staff members.

European Leadership Council Meeting in Zurich: The ELC gathered in Zurich on October 21 for the annual autumn meeting. Professor Forest Reinhardt, BGIE, Faculty Chair of the European Research Initiative, welcomed the ELC members. The agenda included a case presentation and discussion led by Professor Abdelal Rawi, BGIE, on capital control and financial integration (based on the research described above) and an update and discussion by Vincent and Forest on the activities and research of the ERC.

Participation in the European Case Awards Ceremony of 2005: Since 1991 the European Case Clearing House (ECCH) annually organizes this event aimed at rewarding the most popular case authored in Europe. Vincent was this year's guest of honor. He introduced the guests and distributed the awards.

COMMENTS?

We welcome all suggestions and comments. Please contact us:

- Vincent Dessain, Executive Director, vdessain@hbs.edu
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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 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&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