



COOLEY
DISTILLERY

COOLEY DISTILLERY THE INDEPENDENT SPIRIT OF IRELAND
Harvard Case Solution & Analysis

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Introduction

- Context
- Why?
- What?
- How?
- When?

The whiskey market

- Market structure
- Market participants
- Market dynamics

The spirit market

- Market structure
- Market participants
- Market dynamics

Cooley Distillery

- Company overview
- Business model
- Market position

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Organizational ecology (Population Ecology theory)

- Definition
- Key concepts
- Applications

Organizational ecology (Density Dependence)

- Definition
- Key concepts
- Applications

Organizational ecology (Niche theory)

- Definition
- Key concepts
- Applications

Organizational ecology (Stakeholder theory)

- Definition
- Key concepts
- Applications

Stakeholder theory

- Definition
- Key concepts
- Applications

Internationalization, Regionalization and Globalization

- Definition
- Key concepts
- Applications

Product evolution

- Definition
- Key concepts
- Applications

Organ evolution

- Definition
- Key concepts
- Applications

Structure of

- Definition
- Key concepts
- Applications

Leadership and premium strategy

- Definition
- Key concepts
- Applications

Introduction

- Cooley Distillery
- Outline:
 - Introduction case and whiskey market
 - *break*
 - Theory + link to case
 - *break*
 - Solutions

By Mauro Stel, Olivier Kreijkes & Roan Laenen



The whiskey market

Five main players
Hard to enter market

Irish market:

- IDG conglomerate
- 41% domestic selling
- Bidding drama
- Serious market decline
- Brand loyalty



Exhibit 7: Whiskey Sales in Ireland 1982-1986 (cases, 000's).

	1982	1983 (% change)	1984 (% change)	1985 (% change)	1986 (% change)
Irish	665	572 -14.0%	546 -4.3%	626 +14.7%	567 -9.4%
Imported *	220	199 -9.5%	199 ---	288 +44.7%	241 -16.3%
Total	885	771 -11.9%	745 -3.4%	914 -22.7%	808 -11.6%

* Includes 50,000 cases imported by IDG from their Bushmills plant in Northern Ireland

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The spirit market

Brown spirits vs. white spirits
Branded vs. traditional spirits

Trends in the world spirit market:

- Traditional replaced
- Less alcohol is preferred
- Off-trade, premium and specialty surging



Exhibit 4: Scotch Exports to Southern European Markets (case millions).

	1980	1990	Compound Annual Growth
France	4.4	7.6	+18%
Spain	1.3	4.7	+14%
Greece	0.6	2.5	+15%
Portugal	0.3 (1987)	1.1	+12%

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Exhibit 5: Scotch Whiskey Exports to selected Asian Markets (case millions).

	1985	1990	Compound Annual Growth
Japan	4.3	5.8	10%
Thailand	0.8	1.7	+23%
South Korea	0.5	1.1	+22%