

firms had established joint teams with their customers to improve quality and productivity, whereas 50% of U.S. firms had established such teams.

Exchange of Technology and Cost Information

Exchange of technology and cost information measures the degree to which a supplier is willing to share cost reduction information and technology, as well as the degree to which the buying firm is willing to accept and use that information. We chose this variable because this measure represents voluntary behaviors, as opposed to behaviors typically mandated by a contract. These behaviors imply relationships that go beyond those which would occur in purely contractual relationships between buying and selling firms. Huber & Daft (1987) have reported more frequent information exchanges are associated with closer ties, at least between high performing partners. Garcia-Canal (1996) has shown that international joint ventures are directed toward gaining access to information of a foreign firm about markets and technology to a greater degree than are domestic joint ventures.

Manufacturing

Shelley & Litvak (1996) have reported that Canadian manufacturers need to develop access to product development facilities to put them on par with U.S. competitors, at least in the plastics industry. Likewise, Byrne (1993) has reported that despite great improvements in cycle time reduction, Canadian firms still lag U.S. firms in their overall performance for this criterion.

Byrne (1993) has maintained that analysis along the A.T. Kearney Stages of Excellence Framework for Logistics, an area including a number of manufacturing areas, only 8% of Canada's major suppliers have the capacity to deliver excellent customer satisfaction.