In the business literature, research joint ventures are generally distinguished from R&D consortia by the degree of ownership and control. For example, William Evan and Paul Olk of the Wharton School write:

> "The R&D Consortia that are the focus of this article have emerged since the early 1980s as an inter-organizational alternative to licensing arrangements, acquisitions, and joint ventures, especially when a consortium involves only two member companies.... So, in what respects do consortia differ from joint ventures? R&D consortia include direct competitors, while most joint ventures do not. An R&D consortium tends to have a less focused goal because its potential output is uncertain and it is difficult to get members to agree on specific goals. Also, the equity and other inputs from members of a consortium tend to be appreciably less than those invested by each member of a joint venture.... An R&D consortium tends to be a more loosely coupled organization than a two-sponsor joint venture."[16]

For the purpose of this paper, I will use the broad definition of a research joint venture employed in Canada's Competition Act.[17] Research joint ventures are, therefore, a type of technology consortium. Since a merger involves the creation of a single legal entity, it does not constitute a consortium as defined in this paper.

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[16] William M. Evan and Paul Olk, "R&D Consortia: A New U.S. Organizational Form", Sloan Management Review, (Spring 1990), p.38.

[17] Chapter C-34 (Part VIII), Section 95 (1) of the Competition Act states:

The Tribunal shall not make an order under section 92 (referring to Mergers) in respect of e combination formed or proposed to be formed, otherwise than through a corporation, to undertake a specific project or a program of research and development if

(a) a project or program of that nature
  (i) would not have taken place or be likely to take place in the absance of the combination, or
  (ii) would not reasonably have taken place or reasonably be likely to take place in the absence of the combination because of the risks involved in relation to the project or program and the business to which it relates;
(b) no change in control over any party to the combination resulted or would result from the combination;
(c) all persons who formed the combination are parties to an agreement in writing that imposes on one or more of them an obligation to contribute assets and governs a continuing relationship between those parties;
(d) the agreement in paragraph (c) restricts the range of activities that may be carried on pursuant to the combination, and provides that the agreement terminates on the completion of the project or program; and
(e) the combination does not prevent or lessen or is not likely to prevent or lessen competition except to the extent reasonably required to undertake and complete the project or program.

Mergers are defined in section 91 as follows:

In sections 92 to 100, "merger" means the acquisition or establishment, direct or indirect, by one or more persons, whether by purchase or lease of shares or assets, by amalgamation or by combination or otherwise, of control over or significant interest in the whole or a part of a business of a competitor, supplier, customer or other person.