

# DIFFERENT FORMS OF INTERFIRM COLLABORATION

(VARIATIONS MAY OCCUR)

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## FLEXIBLE BUSINESS NETWORKS

- NEGOTIABLE IN DAYS / WEEKS
- 3 - 10, BUT FREQUENTLY 5 OR 6 FIRMS
- FOCUS ON BUILDING CRITICAL MASS, COMPLEMENTARITY FOR DIVERSE NEW BUSINESS OPPORTUNITIES
- VERY FLEXIBLE, LEVERAGING MULTIPLE COMPETITIVE ADVANTAGES
- SIMPLE LEGAL FORMULATION
- SIMPLE COMPLEMENTARY FINANCING
- DOMESTIC OR INTERNATIONAL FOCUS
- LAST 1 - 3 YEARS

## STRATEGIC ALLIANCES / JOINT VENTURES

- COMPLEX TO NEGOTIATE, MONTHS OR 1-2 YEARS, AND \$\$\$
- GENERALLY 2 OR 3 FIRMS, OCCASIONALLY A SPECIALTY SME
- FOCUS ON COMPLEMENTARITY FOR TECHNOLOGY TRANSFER / MARKET GAIN, AND MUTUAL BI-INTERNATIONAL MARKET PENETRATION
- MORE FORMAL THAN FLEXIBLE
- COMPLEX LEGAL AGREEMENTS, INTELLECTUAL PROPERTY RIGHTS, LICENCING AGREEMENTS
- COMPLEX FINANCING ARRANGEMENTS, OFTEN WITH VENTURE CAPITAL, AND DERIVATIVE REVENUE STREAMS
- DOMESTIC OR INTERNATIONAL FOCUS
- LAST 3 - 7 YEARS

## SECTORAL / MULTI-SECTORAL EXPORT CONSORTIA

- CAN BE ASSEMBLED IN SEVERAL MONTHS
- VERY LARGE GROUPS, OFTEN 15 - 75 FIRMS (SEE BC TRADE CORP.)
- FOCUS ON COMPLEMENTARITY FOR INTERNATIONAL MARKET DEVELOPMENT, PENETRATION, GROWTH, SUSTAINABILITY
- SEMI-FORMAL, SEMI-FLEXIBLE
- SIMPLE GROUP CONSORTIA MARKETING AGREEMENT, OFTEN CATALYSED / LED BY A GOVERNMENT TRADE OFFICIAL
- SIMPLE TRADE DEVELOPMENT FINANCING, OFTEN WITH COMBINED GOVERNMENT AND FIRM PARTICIPATION
- SUSTAINED NATIONAL AND INTERNATIONAL INFRASTRUCTURE SUPPORT
- INTERNATIONAL MARKET FOCUS
- LAST 2 - 3 YEARS