So far we have not discussed marketplace partnerships, which are already important within Europe and are set to become more so in the future. They are being driven by economics of scale as, for example, in the joint venture between Siemens and Philips to produce large memory components using submicron silicon technology. Major ventures will frequently be global in scale and so intercontinental partnerships are being formed. Two examples are 1) the joint venture between Philips, Du Pont, and CDC in optical recording products and 2) a new financial arrangement in which Bull is leading a partnership with both Honeywell and NEC. (See related stories in MicroNews this issue. — Ed.)

These initiatives are already changing the shape of the European and global industry, but plenty of scope remains for further partnerships. Indeed, the Esprit 2 program and the UK program designed to succeed Alvey are both encouraging this trend by emphasizing pre-product development projects that are much closer to the marketplace. Before joining such development programs, companies will have to resolve how the results are going to be exploited by the partners.

The same process is taken one step further by another pan-European program, the Eureka program. Originally proposed by France, Eureka provides for the joint development of new products by international partners. It is not limited to EEC members and is not limited to information technology or electronics. For example, one early proposal is for the joint development of advanced fishing trawlers.

Thus, there is strong evidence that the success of existing cooperative programs in Europe has started an irresistible pressure toward more market-related partnerships. We have learned a lot from our work in precompetitive development:

- We are no longer frightened to rely on each other’s skills for critical development.
- We are able to partition the tasks in joint programs to optimize our joint skills.
- We manage transnational programs as a matter of course.
- We have learned how to handle property rights, so we have confidence in our ability to move to more market-related partnerships.

Few European companies are giants on the global scale. We cannot afford to devote our energies to fighting each other, when the threat to our success and that of the EEC is the larger one from overseas. We have learned to cooperate on technical matters. The challenge now is to move these achievements toward the marketplace to bring the best balance of advantage to companies, countries, and the European community.

Europe’s success in cooperative programs has started an irresistible pressure toward more market-related partnerships.

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