

Advantages

Strategic	<ul style="list-style-type: none"> • Strengthens current strategic position by <ul style="list-style-type: none"> – pioneering developments into new segments – rationalizing existing segments – reducing competitive volatility
	<ul style="list-style-type: none"> • Pre-empt competitors <ul style="list-style-type: none"> – facilitates access to new markets and customers – supports growth in market share – strengthens negotiating position – gains access to global markets
	<ul style="list-style-type: none"> • Augments strategic position <ul style="list-style-type: none"> – creates and develops synergies – technology and skill transfers
Operational	<ul style="list-style-type: none"> • Reduces uncertainty
	<ul style="list-style-type: none"> • Shares investment and risk
	<ul style="list-style-type: none"> • Process capacity sharing <ul style="list-style-type: none"> – increases utilization – avoids process duplication
	<ul style="list-style-type: none"> • Shares facilities in other parts of the supply chain, for example distribution channels
	<ul style="list-style-type: none"> • Increases technological know-how by <ul style="list-style-type: none"> – facilitating information exchange – potentially creating critical mass in areas such as research and development – broadening expertise in, for instance, engineering and IT systems
	<ul style="list-style-type: none"> • Strengthens market intelligence
	<ul style="list-style-type: none"> • Helps retain key staff <ul style="list-style-type: none"> – increased job scope – better career opportunities