

Diagram V

Why Global Corporations Need Metropolitan Regions

Corporations Need Regional Resources →

Corporate Locational Strategy

Need to know about production process technology.	Will outsource production processes to regions with regional technology most compatible to core competency.
Need to know about new product technology.	Will form partnerships in regions with intermediate demand sectors experiencing rapid technical change.
Need to create and spinoff new venture subsidiaries related to core competency.	Will seek regions with stable group of industrial innovators related to core competency.
Need new knowledge to supplement R & D in core competency.	Will seek venture capital investments in new ventures in regions with tangential technical change.
Need markets to sell products.	Will seek regions with rapid technical change.