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Drag and Drop: The extraction of manufacturing capability and the breakdown of the transfer metaphor

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Research on international transfer of manufacturing capability has focused on the viewpoint of the 'transferor'. The nature of knowledge in the transferor is identified as the core determinant of the 'transferability' of capability, independent of the host context. In this paper we consider the problem from the viewpoint of the 'transferee'; *extracting* the capability that it needs from a relatively passive transferor. In such cases the 'knowledge transfer' metaphor breaks down. We illustrate this with a case study of a major US computer manufacturer transferring the capability of building its most complex server product to a site in Europe.

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