

Strategic alliances essay sample



According to Robert and Alan (2006, p. 27), Strategic Alliances are agreements between corporations or firms in which each consigns resources to realize a mutual set of objectives. Organizations may form a Strategic Alliance with a broad diversity of players: customers, suppliers, competitors, universities or divisions of government. In this regard, SG Bio-fuels and Life technologies is one good example of Strategic Alliances formed to improve the development of SG Bio-fuels as a sustainable bio-fuel through Jatropha.

Jatropha is a poisonous crop that can be cultivated in poor climate and soil conditions, which has been hailed as a biofuel crop of the future. Despite the toxic nature of the crop, still the high oil content has made believers of its sponsors and several airlines have successfully tested it with jet fuel. But Dutch researchers ignited a heated debate over the appropriateness of Jatropha as a source for biofuel when they published a study several months ago that established Jatropha requires five times as more water compared to sugarcane and corn, and nearly ten times as much as sugar beets.

A Wall Street Journal later reported that BP had distributed with a million investments it had made in Jatropha with a British associate, D1 Oils (Robert and Allan, 2006). However, the CEO of SG Bio-fuels, Kirk Haney, points out that due to thoroughness that Life Technologies carried out before entering into the alliance. “ They’ve done a deep dive on our company, and they’ve legalized our expertise,” He says (Bruce, 2010).

The alliance brings together its genetic resource center, which features “ the largest and most diverse library of SG Bio-fuels genetic material in the world,” with Life Technology’s advanced biotechnology and synthetic biology

tools (Bruce, 2010). However, it is believed that this combination of resources and technology will give the partners the chance to reveal Jatropha's capability as a beneficial and maintainable biofuel feedstock (Bruce, 2010).