

Understanding spatial networking and industrial district evolution from firms' strategies

Jose-Luis Hervas-Olivera, Carles Boronat-Moll, Marta Peris-Ortiz & Ronald Rojas-Alvarado

Abstract

Positioned in the study of firm heterogeneity in industrial districts (IDs), this study analyses how mergers and acquisitions (M&A) differ between local and non-local acquirers, impacting district evolution. Focusing on the Castellon ceramic tile district transformation, from acquisitions over 2012–2022, M&A and their implication for the local district are discussed, cross-fertilizing strategy and IDs literatures. Findings, from using mixed-methods, reveal that in IDs, the M&A process remarkably differs between local and non-local firms. While local firms tend to specialize in the related focal business, targeting local acquisitions to achieve internal synergies from a better valuation and integration of acquisitions, foreign firms seek access to tacit knowledge through relational and network synergies through diversification. Effects on the territory from M&A are also discussed.

Keywords: Industrial districts Marshallian socio-economic context synergies mergers & acquisitions