Introduction
Twelve countries and over 300 million consumers are involved in the European Community (EC) market integration. This is much larger than the US market. The economic, monetary, fiscal and commercial integration has already begun and will be completed during the 1990s. There are obstacles, such as language, political and cultural differences, as well as problems in transport and distribution, but community co-ordination is improving.

The recent developments in Eastern Europe and Germany have clearly accelerated EC market integration[1]. With this perspective it is possible to explain the large increase in alliances and acquisitions between European and American companies. The reduction of trade barriers within the EC market will help to make consumer needs more uniform, a tendency which already exists on a global scale[2].

Thus there is a growing tendency towards a global market in different industries. Among the environmental factors which trigger off the globalization process within the EC process of integration are rationalization of distribution channels and changes in government policies[3].

Globalization is growing as far as both finished products and components are concerned. The refrigerator market, for example, is not yet global as there are still many differences between the needs of families in different countries, while for certain refrigerator parts the market is already global.

In global industries competitive advantages derive in large part from the integration and co-ordination on an international scale of the various activities of the value chain, while in the so-called multidomestic markets the competitive advantages are specific to each country and different local strategies are adopted[4]. In global strategy it is of vital importance to reduce total costs as well as design, production and distribution times. Distribution in Europe will tend to reward low-cost producers[5], in this sense the EC will also be an appetizing market for American companies which are already used to serving several different markets and to facing strong price competition[6], while changes will be required in those European companies which only operate in specific markets and focus on particular types of performance (e.g. quality).

With regard to manufacturing, advantages can be obtained in a global strategy through: the effective utilization of scale economies; the concentration of learning