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Internationalisation of R&D: New insights into multinational enterprises' R&D strategies in emerging markets**

Multinational enterprises' research and development (R&D) activities are increasingly internationalised and organised into new types of network, as part of their global innovation networks. In this article, we investigate the dynamics and strategies of R&D reorganisation through an in-depth case study of a global firm from the most globalised industry in terms of R&D, biotechnology. The article investigates dynamics of internationalisation of R&D in global networks by looking at: 1) the strategic drivers of location, either as a large potential market or as a pool of competencies; and 2) the evolution of the company and its R&D activities into emerging market locations: India, China and Brazil. Together, these two dimensions constitute the drivers of R&D internationalisation and contribute to the construction of global innovation networks through knowledge augmenting and exploiting strategies. The article shows how multinational enterprises can use a combination of augmenting and exploiting strategies in emerging markets and hence demonstrates that international R&D activities not always evolve in a sequential and ordered trajectory.

Key words: **internationalisation of R&D, biotech industry, emerging markets, home-base exploiting, home-base augmenting, strategic drivers, evolutionary approach**
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