

**Innovations development and launch strategies.
Russian aircraft construction industry issue 1991-2008**

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The sources of competitive advantage are sought in unique resources and dynamic capabilities available in a company, likewise in its strong market position. Yet these classical frameworks provide little assistance when it comes to today's new economy. Current trends to cooperation in the aircraft construction market and the evolving situation in this industry in Russia over the past eighteen years, prompted us to consider this problem in terms of the duality of competition and cooperation, and so the possibility of creating a competitive advantage in terms of the "open innovation" and the use of inter-organizational competencies. Unlike the logic of the "closed innovation" development when preservation of competitive advantage subjects to autonomy, the modern established companies seek for cooperation in new products creation as a way to overcome the accelerating pace of the technological progress, complexity of innovations and their lifespan shortening. The deep analysis of wide range of publications on the aircraft industry combined with the interviews with companies delivered the comprehensive data on the aircraft construction projects launched between 1991-2008, as well as the circumstances of innovations development strategies choice. Proceeding from the assumption of paradoxical approach to the relationship of competition and cooperation, the strategic choice for launching innovations is situational, and these are not only the comparative costs of cooperation and competition and the ability to create innovations inside that determine this choice. Cooperation does not precede autonomy and is not a random issue, it gains its importance in particular conditions. The choice in strategic management of innovations becomes dependent on the context (manifested in the form of market trends, global nature (contraction of the market), and more on the individual institutional and crisis conditions of a country, and on the industry – the complexity of its structure and product); the trajectory curves (the formation of competences base and historical coherence of a business model to the industry); and the continuity of the transfer of knowledge, resources, competences, traditions to a new generation of a company with simultaneous renewing of personnel and modernization.