















such as specialized experiences and methods rather than applying and registering patents. On that point, these two companies have a lot of similarities.

In the case of producer's goods makers, if they experience commoditization due to competitor's entrances in the market and have found themselves in price competitions, they are involved in losing a market share. Therefore, how to develop patent strategy is supposed to be important in order to avoid commoditization of products. On the other hand, product development for securing profitability without relying on patents is suggested to be one of the effective ways rather than securing competitive advantage by owning patents in the market.

Then the factors enhancing competitive advantage to these two companies are explained by two strategic management approaches, Porter's five forces and Barney's RBV. It is clarified that these two companies possess internal unique characteristics such as management knowhow and strategy, and this results in maintaining a relatively strong position in the market and securing high profitability .

This paper attempts to compare and analyze product characteristics and patents of major highly profitable electronic component manufacturers through case analyses and strategic management approaches. However, factors associated with high profitability are necessary to be considered from a different perspective such as a relation with customers and a relation between design and production. The issues should be discussed for future research.

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