The geography of enterprise established that the organization of industrial activities is a significant dimension of location, location change and local development (McNee 1958; Krumme 1969a; Dicken and Thrift 1992). Indeed, since the late 1960s a massive literature has emerged within geography which has focused on 'the firm' as the unit of analysis. While much of this literature, following the initial rationale for the geography of enterprise, focused on large firms, interest also grew rapidly in small firms. While a much fuller appreciation for the nature of inter-firm relationships has been gained in recent years (see Part IV), there are now substantial literatures dealing with large and small firms. Part III reviews these literatures and adds a further dimension to the discussion by explicitly recognizing a medium size firm segment that differs from what is normally implied by this term.

By way of introduction, Chapter 8, in a highly generalized way, comments on the size distribution of firms and on the internal spatial distribution of employment within large corporations. Chapter 9 discusses the formation and function of new firms, regional variations in new firm formation rates and some of the characteristics of small firms of relevance to location and local development. Chapter 10 addresses the above mentioned and important gap in the industrial geography literature, namely medium sized firms which represent a group of firms which have characteristics different from the large majority of small firms and the relatively few giant firms. Chapter 11 examines the growth of the interregional and international firm - the international firm can be seen as a special case of the interregional firm. Chapter 12 then explores aspects of the restructuring of large firms, especially from an employment perspective.