

There are other types of outlets such as **open-air market**, **door-to-door** (0.5 %), **mail order** (2.6% of retail trade), **Minitel** and **TV marketing** (still marginal). There are also the new types of distribution: **commercial centers**, which appeared in the sixties, of which there were 478 in 1987, for a sale surface of 9 million sq. meters; and **factory outlets**, created in 1985. There are about twelve of these outlets, and their sales are still marginal (0.2 %).

## **CONSTRAINTS TO THE DEVELOPMENT OF COMMERCIAL ENTERPRISES**

There are several constraints to the development of commercial enterprises:

1. Controls on concentration to avoid all forms of monopoly. In fact, large stores require Government authorization before opening in a selected area;
2. Sunday shopping subject to the approval of unions;
3. TVA (Value Added Tax): many small retailers consider that the advantage to large distributors in getting the refund on their investments is a hindrance to their own development;
4. The cost of rental space in large cities limits the installation of small or independent merchants.

## **OPPORTUNITIES OFFERED TO FRENCH COMMERCIAL ENTERPRISES**

In the context of 1993, there will be 340 million consumers to attract. France has one of the most effective retail trades in Western Europe. France is better prepared than other countries to meet the competition, but regulations will have to be reduced if French traders are to acquire large commercial sites elsewhere. Intense competition in France has allowed some large firms in this sector to develop a know-how rewarded by penetration in foreign countries such as Spain, Brazil, and the USA.

## **FOREIGN PRESENCE**

Very few foreign companies operate stores in France and their activities are limited to the department stores (e.g.: Mark's & Spencer), discount stores (C & A), direct mail sales, large specialized stores (Ikea), and some specialized shops (food and fashion). On the other hand, some major French distribution companies are financially-controlled by foreign interests with no influence on the trade operations.

## **CANADIAN PRESENCE AND OPPORTUNITIES**

There are no Canadian owned retail or wholesale outlets in France. However, at least one major Canadian distribution firm has established a working relationship with a French counterpart. Many opportunities for technical and commercial cooperation with French groups could still be exploited. Such a relationship would be advantageous since it would allow the partners to benefit mutually from their respective bargaining power.