



# ▶ Chemical Products

## Important market facts

- There are some 1500 companies in the French chemical industry. With a turnover of \$63.7 billion in 1985, the chemicals market ranks second, after the automotive industry, among the manufacturing industries.
- Between 1970 and 1985, chemical production increased by 80 per cent while the industry as a whole grew by only 32 per cent.
- The French chemical industry generates 7 per cent of all industrial employment.
- Some of the most successful French companies include Rhône-Poulenc, Cdf Chimie, Atochem, Air Liquide, Oréal, E.M.C., Sanofi and Roussel-Uclaf.
- In 1986 production reached \$65.9 billion (up 3 per cent compared with 1985). Basic chemicals dropped by 1.5 per cent while paracheicals and pharmaceuticals increased by about 2 per cent.

## Market trends

- The French chemical industry is on the verge of significant change, which is necessary if it is to remain successful.
- Basic chemicals trade is growing substantially in France.

## Canadian imports

- Of the ten leading foreign firms established in France, three are from the United States (Dupont, Dow and Union Carbide), three are from Germany (Bayer, Hoechst and BASF), one is from Britain (ICI), one from Switzerland (Ciba), one from Italy (Montedison) and one from the Netherlands (DAS).
- There are no Canadian companies among the 25 leading foreign firms. (The smallest has a turnover of approximately \$100 million.)
- In 1985 Canada was France's 16th largest supplier and 18th biggest customer. That same year, Canada exported products worth \$120.2 billion which represents 0.6 per cent of total French imports in this sector (an increase of 11.2 per cent over 1984).
- The most important Canadian companies established in France are: EMCO Wheaton France, INCO, POLYSAR, Schenectady, DIVERSEY, Cabot, Sanisol.

## Recommendations for Canadian exporters

- Main business opportunities in the French market: the inorganic chemicals sector (oils and fuels, and inorganic materials such as hydroxides, peroxides, etc.); the organic chemicals sector (sugar, acyclic alcohol, plastic, synthetic resin,

etc.); paracheicals (dyes, paints, powders, explosives); and pharmaceuticals (glands, animal substances, etc.).

- The only way a producer can penetrate the French market is through an agent (importer-distributor). Setting up a subsidiary can be considered once a product has a significant market share. In both cases Canadian producers must be aggressive and, above all, determined to establish themselves in the market. While importers are eager to work with Canadians, they are increasingly reluctant to work only for a "one-shot" deal.

## Additional information

Contact Musto Mitha, regional officer for this sector, Canadian Embassy, Paris, France  
Tel: (011.33.1) 47.23.01.01.

## Useful address

Union des Industries Chimiques (U.I.C.)  
64, avenue Marceau  
75008 Paris  
Tel: (1) 47.20.56.03