

and regional impact in an amount equal to the transaction. In the framework of this contract, companies such as Bendix Avelex, Cell Pack, Canadian Marconi, Hughes Aircraft of Canada, and others have already been selected as suppliers with export contracts associating them with Aérospatiale for an unlimited time period.

With regard to aeronautics, in 1988, Air Canada and Canadair placed an order for more than 60 Airbus models, worth over \$3 billion, while Canadair signed a partnership agreement with Aérospatiale for the production of parts for the A-330 and A-340 models (an estimated value of \$2 billion). Messier-Bugatti, in partnership with Menasco of Toronto, has received a contract to partly supply the landing gear for the Airbus A-320 and A-340, as well as for the new Boeing 777.

In the space sector, Spar and Comdev have obtained contracts worth \$15 million and \$7 million respectively with Alcatel Espace to supply systems for Telecom 2, a telecommunications satellite. With regard to projects currently being negotiated, a Canadair service centre will be established in France for the Challenger, the Regional Jet (RJ) and the CL-415.

COOPERATION: HOW TO ENTER THIS MARKET

Due to the weakness of the traditional French markets, both domestic and international, and the ever-increasing costs of major civilian and military programmes, French companies are now searching actively for joint partnerships. This is particularly true within the European Community, where numerous civilian and military projects are being undertaken and negotiated. In the defence market, the General Delegation for Armament is the government body responsible for identifying French equipment requirements and making purchases for the French armed forces. Several Canadian companies have already signed supply contracts with this organization. Both the private and the public procurement process is very complex, and precise rules must be followed by anyone interested in this market. A detailed study of the procedure and its regulations is currently underway and should be available at the Embassy toward the end of 1992.

In addition to the requirement for a product with distinctive comparative advantages (i.e. new technology, superior quality, competitive price), continual and personal contact is essential to succeed in France. For this reason, substantial financial resources are generally required and interested companies must be prepared to devote the necessary time. As France already produces and exports highly sophisticated products and equipment, its foremost interest abroad is to identify high technology products or services. Penetrating the French market often requires a foreign company to associate itself with local suppliers through exchange agreements, joint development, co-manufacturing, or other forms of strategic alliances.

ADDITIONAL SOURCES OF INFORMATION

Two useful guides:

- 1) "Guide pratique des Fournisseurs de la DGA"
To order, contact Groupe GIP Union (Approximate Price: \$300)