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formation on manufacturers and distributors to see who is doing what in France. Get the catalogues from last year's trade shows (addresses are in the reports mentioned previously). These have information on all the players — and will tell you precisely the target market of the show. (This is important as France has many shows in telecommunications, each with a different focus).

First Visit to France

While we will not repeat the information in *CanadExport's* "The Prospecting Visit" article of December 17 1990, we would like to suggest several things that should be done during your first visit to the territory — particularly if you come at the time a trade show in your sub-sector is being staged:

- You should arrange to talk to the trade commissioner responsible for telecommunications. He will update you on the current market and regulatory situation, talk about the roles of the various companies in the field, and give suggestions for approaching the type approval process.
- At the show, you will be able to measure up the competition, see what is being offered, notice if there are niche markets being ignored (that you could fill or if your product competes head-on with established products).
- You also will be able to gauge the technical sophistication of the market. Although France is at a technological level similar to that of Canada, there are differences — France is ahead in videotex and direct satellite to home broadcasting, and behind in cellular phones and cable TV).
- You will be able to talk to distributors or manufacturers of complementary products that you have contacted beforehand. Are your products complementary to their offerings? In a similar vein,

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The Market for Mobile Telecommunications in France

There is an explosive growth in the mobile cellular telephone industry in France, and indeed throughout Western Europe — yet at a recent business conference bringing together all the players in the cellular market, Canadian operating companies were noticeable by their absence.

One is left to wonder if Canadian operating companies are missing this opportune time to establish themselves on the other side of the Atlantic.

This was the puzzle confronting personnel at the Canadian Embassy in Paris who prepared this brief overview of that country's mobile telecommunications market.

The opportunities for Canadian companies are not limited to the provision of equipment: In the European Community (EC), each government is obliged to allocate at least one license to a service operator other than the country's telephone company.

EC regulations dictate that there must be competition between the service providers — just as there is, for example, in Ontario and Quebec between Bell Cellular and Cantel.

Eastern Europe also is seeking experienced partners to establish mobile networks that can be put in place more quickly than their hard-line systems can be refurbished.

The ground work for what will be the most important telecom market for the '90s will be firmly established in the next year. U.S. Bell Operating Companies with cellular experience, such as US West, Pacific Telesis, Bell South and Nynex are well established in partnerships or consortia with European firms — to meld local market and technical expertise with American experience. These arrangements are also necessitated by the regulations of many countries, such as France, that limit foreign participation in the operating companies.

Exporters should be advised, however, that the explosive growth in this industry masks underlying technical problems (many of which are being resolved).

There is a vast number of incompatible standards — a car phone in Germany cannot be used in Italy; one from France cannot be used anywhere outside the country.

The situation is compounded by the fact that their major network, France Telecom's Radiocom 2000, has restricted hand-shaking capability (i.e. it cannot accept new customers) and has reached the saturation point in major centres. A competitive service, run by the Société Française du Radiotéléphone, uses a modified version of the Scandinavian standard.

The situation is about to change dramatically. A Memorandum of Agreement has been signed by Europe's cellular service providers. This will introduce digital cellular telephone service based on the GSM (Group Speciale Mobile) standard, starting on a limited basis, in July 1991 (although several countries have stated that they may not be able to meet this deadline), with full implementation expected for 1992.

Twenty million cellular phones are expected to be sold by the end of the decade. GSM Telephones made for one country will be able to be sold and used throughout Europe.