



► Automotive Parts and Accessories

Important market facts

- In 1986 there were 20.9 million vehicles on the road in France.
- Under a reorganization program, the parts and accessories market increased 9.2 per cent in 1985.
- Turnover for parts and accessories amounted to \$6.7 billion in 1985 (chassis parts: \$5.1 billion; engine parts: \$1.6 billion).
- Imports of parts and accessories have increased steadily (up 5.9 per cent).
- Imports of spare parts and accessories are free of tariff barriers.
- Quotas restrict the import of Japanese automobiles.

Market trends

- Differentiation of two market sectors: captive parts (car manufacturers) and non-captive parts (manufacturers and suppliers).
- Equipment dealers want to further develop fast-moving parts; manufacturers want to maintain their captive market.

- Short term: manufacturers will emphasize the partnership concept with sub-suppliers and specialization (main parts).
- Long term: internationalization of the market.
- Collaboration between fitters and equipment dealers will be strengthened.

Recommendations for Canadian exporters

- Market share opportunities: spare parts for drive shafts, crankshafts, bearings, clutches, transmissions and braking systems.
- Choice of supplier should be based on regard for technical specifications, quality-price relationship and proximity of supplier.
- Partnerships represent an ideal way to penetrate a market.
- The industries must inform their target markets of their capabilities.
- Canadian industries must propose a specific product corresponding to a particular function (cooling system, carburetor, transmission, etc.).

- Canadian industries must establish a marketing policy corresponding to overall product demand (brakes, clutches, etc.).
- The industries must select a way of establishing themselves; subsidies seem to be the best solution for the French market.
- Within five years, it is expected that a dozen 'Autocity' centres will open, offering customers self-service for automotive parts and accessories.

Canadian imports

- Canada's share of imports amounted to 0.06 per cent of total French imports, or \$2.8 million.
- Components of Canadian imports (especially chassis parts and accessories):
 - friction fittings;
 - braking systems; and
 - transmission systems.
- Main Canadian imports: radiators and braking systems.